Journal of the House

State of Indiana

114th General Assembly *Second Regular Session*

Twelfth Meeting Day **Thursday Afternoon** **January 26, 2006**

The House convened at 1:30 p.m. with Speaker Brian C. Bosma in the Chair.

The Pledge of Allegiance to the Flag was led by Representative L. Jack Lutz.

The Speaker ordered the roll of the House to be called:

Aguilera	Koch
Austin	Kromkowski
Avery	Kuzman
Ayres	L. Lawson
Bardon	Lehe
Bauer	Leonard
Behning	J. Lutz
Bell	Mahern
Bischoff	Mays
Borders	McClain
Borror	Messer
C. Bottorff	Micon
Bright	Moses
C. Brown	Murphy
T. Brown	Neese
Buck	Noe
Budak	Orentlicher
Buell	Oxley
Burton	Pelath
Cheney	Pflum
Cherry	Pierce
Cochran	Pond
Crawford	Porter
Crooks	Reske
Crouch	Richardson ⏏
Davis	Ripley
Day	Robertson
Denbo	Ruppel
Dickinson	Saunders
Dobis	J. Smith
Dodge	V. Smith
Duncan	Stevenson
Dvorak	Stilwell
Espich	Stutzman
Foley	Summers
Friend	Thomas
Frizzell	Thompson
Fry	Tincher
GiaQuinta	Torr
Goodin	Turner
Grubb	Tyler
Gutwein	Ulmer
E. Harris	VanHaaften
T. Harris	Walorski
Heim	Welch
Hinkle	Whetstone
Hoffman	Wolkins
Hoy	Woodruff
Kersey	Yount
Klinker	Mr. Speaker

Roll Call 49: 99 present; 1 excused. The Speaker announced a quorum in attendance. [*NOTE*: ⏏ *indicates those who were excused*.]

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 3:30 p.m. with the Speaker in the Chair.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1029, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning education finance.

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 5-1-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 15, 2006 (RETROACTIVE)]: Sec. 1. (a) **The following definitions apply throughout this section:**

(1) "Agreement" means any agreement that includes terms, representations, or provisions relating to:

(A) credit enhancement of, or rate covenants supporting, any bonds, notes, evidences of indebtedness, leases, swap agreements, or other written obligations described in subsection (b);

(B) any indenture or provision regarding any indenture relating to any bonds, notes, evidences of indebtedness, leases, swap agreements, or other written obligations described in subsection (b);

(C) payment of any bonds, notes, evidences of indebtedness, leases, swap agreements, or other written obligations described in subsection (b) in the event of a termination of the agreement; or

(D) public works, capital improvements, or economic development projects.

(2) "Leasing body" means a not-for-profit corporation, limited purpose corporation, or authority that has leased land and a building or buildings to an entity named in subsection (b) other than another leasing body.

(3) "Swap agreement" has the meaning set forth in IC 8-9.5-9-4.

(b) All bonds, notes, evidences of indebtedness, leases, or other written obligations issued **or executed** by or in the name of any:

(1) state agency, county, township, city, incorporated town, school corporation, state educational institution, state supported institution of higher learning, political subdivision, joint agency created under IC 8-1-2.2, leasing body, **separate body corporate and politic,** or any other political, municipal, public or quasi-public corporation; ~~or in the name of any~~

(2) special assessment or taxing district; or ~~in the name of any~~

(3) board, commission, authority, or authorized body of any such entity; and

any pledge, dedication or designation of revenues, conveyance, or mortgage securing these bonds, notes, evidences of indebtedness, leases, **swap agreements, agreements,** or other written obligations are hereby legalized and declared valid if these bonds, notes, evidences of indebtedness, leases, **swap agreements, agreements,** or other written obligations have been executed before March 15, ~~2000.~~ **2006.** All **governance, organizational, or other** proceedings had

and actions taken under which the bonds, notes, evidences of indebtedness, leases, **swap agreements, agreements,** or other written obligations were issued **or executed** or the pledge, dedication or designation of revenues, conveyance, or mortgage was granted, are hereby fully legalized and declared valid.

(c) All contracts for the purchase of electric power and energy or utility capacity or service:

(1) entered into by a joint agency created under IC 8-1-2.2; and

(2) its members used for the purpose of securing payment of principal and interest on bonds, notes, evidences of indebtedness, leases, or other written obligations issued by or in the name of such joint agency;

are hereby legalized and declared valid if entered into before March 15, ~~2000.~~ **2006.** All proceedings held and actions taken under which contracts for the purchase of electric power and energy or utility capacity or service were executed or entered into are hereby fully legalized and declared valid.

(d) All interlocal cooperation agreements entered into by political subdivisions or governmental entities under IC 36-1-7 are hereby legalized and declared valid if entered into before March 15, ~~2000.~~ **2006.** All proceedings held and actions taken under which interlocal cooperation agreements were executed or entered into are hereby fully legalized and validated.

SECTION 2. IC 6-3-1-3.5, AS AMENDED BY P.L.246-2005, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3.5. When used in this article, the term "adjusted gross income" shall mean the following:

(a) In the case of all individuals, "adjusted gross income" (as defined in Section 62 of the Internal Revenue Code), modified as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(3) Subtract one thousand dollars ($1,000), or in the case of a joint return filed by a husband and wife, subtract for each spouse one thousand dollars ($1,000).

(4) Subtract one thousand dollars ($1,000) for:

(A) each of the exemptions provided by Section 151(c) of the Internal Revenue Code;

(B) each additional amount allowable under Section 63(f) of the Internal Revenue Code; and

(C) the spouse of the taxpayer if a separate return is made by the taxpayer and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(5) Subtract:

(A) one thousand five hundred dollars ($1,500) for each of the exemptions allowed under Section 151(c)(1)(B) of the Internal Revenue Code for taxable years beginning after December 31, 1996; and

(B) five hundred dollars ($500) for each additional amount allowable under Section 63(f)(1) of the Internal Revenue Code if the adjusted gross income of the taxpayer, or the taxpayer and the taxpayer's spouse in the case of a joint return, is less than forty thousand dollars ($40,000).

This amount is in addition to the amount subtracted under subdivision (4).

(6) Subtract an amount equal to the lesser of:

(A) that part of the individual's adjusted gross income (as defined in Section 62 of the Internal Revenue Code) for that taxable year that is subject to a tax that is imposed by a political subdivision of another state and that is imposed on or measured by income; or

(B) two thousand dollars ($2,000).

(7) Add an amount equal to the total capital gain portion of a lump sum distribution (as defined in Section 402(e)(4)(D) of the Internal Revenue Code) if the lump sum distribution is received by the individual during the taxable year and if the capital gain portion of the distribution is taxed in the manner provided in Section 402 of the Internal Revenue Code.

(8) Subtract any amounts included in federal adjusted gross income under Section 111 of the Internal Revenue Code as a recovery of items previously deducted as an itemized deduction from adjusted gross income.

(9) Subtract any amounts included in federal adjusted gross income under the Internal Revenue Code which amounts were received by the individual as supplemental railroad retirement annuities under 45 U.S.C. 231 and which are not deductible under subdivision (1).

(10) Add an amount equal to the deduction allowed under Section 221 of the Internal Revenue Code for married couples filing joint returns if the taxable year began before January 1, 1987.

(11) Add an amount equal to the interest excluded from federal gross income by the individual for the taxable year under Section 128 of the Internal Revenue Code if the taxable year began before January 1, 1985.

(12) Subtract an amount equal to the amount of federal Social Security and Railroad Retirement benefits included in a taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

(13) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the total amount of the deductions allowed pursuant to subdivisions (3), (4), (5), and (6) shall be reduced to an amount which bears the same ratio to the total as the taxpayer's income taxable in Indiana bears to the taxpayer's total income.

(14) In the case of an individual who is a recipient of assistance under IC 12-10-6-1, IC 12-10-6-2.1, IC 12-15-2-2, or IC 12-15-7, subtract an amount equal to that portion of the individual's adjusted gross income with respect to which the individual is not allowed under federal law to retain an amount to pay state and local income taxes.

(15) In the case of an eligible individual, subtract the amount of a Holocaust victim's settlement payment included in the individual's federal adjusted gross income.

(16) For taxable years beginning after December 31, 1999, subtract an amount equal to the portion of any premiums paid during the taxable year by the taxpayer for a qualified long term care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the taxpayer's spouse, or both.

(17) Subtract an amount equal to the lesser of:

(A) for a taxable year:

(i) including any part of 2004, the amount determined under subsection (f); and

(ii) beginning after December 31, 2004, two thousand five hundred dollars ($2,500); or

(B) the amount of property taxes that are paid during the taxable year in Indiana by the individual on the individual's principal place of residence.

(18) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the individual's federal adjusted gross income.

(19) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(20) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(21) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand

dollars ($25,000).

(22) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(23) In the case of an individual who is employed by a taxpayer that claims a credit under IC 6-3.1-31-9, add the amount of the individual's eligible benefits as provided in IC 6-3.1-31-15(a).

(b) In the case of corporations, the same as "taxable income" (as defined in Section 63 of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 170 of the Internal Revenue Code.

(3) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(4) Subtract an amount equal to the amount included in the corporation's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(c) In the case of life insurance companies (as defined in Section 816(a) of the Internal Revenue Code) that are organized under Indiana law, the same as "life insurance company taxable income" (as defined in Section 801 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 or Section 810 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(d) In the case of insurance companies subject to tax under Section 831 of the Internal Revenue Code and organized under Indiana law, the same as "taxable income" (as defined in Section 832 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(e) In the case of trusts and estates, "taxable income" (as defined for trusts and estates in Section 641(b) of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the federal adjusted gross income of the estate of a victim of the September 11 terrorist attack or a trust to the extent the trust benefits a victim of the September 11 terrorist attack.

(3) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(4) Add an amount equal to any deduction allowed under

Section 172 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(6) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(f) This subsection applies only to the extent that an individual paid property taxes in 2004 that were imposed for the March 1, 2002, assessment date or the January 15, 2003, assessment date. The maximum amount of the deduction under subsection (a)(17) is equal to the amount determined under STEP FIVE of the following formula:

STEP ONE: Determine the amount of property taxes that the taxpayer paid after December 31, 2003, in the taxable year for property taxes imposed for the March 1, 2002, assessment date and the January 15, 2003, assessment date.

STEP TWO: Determine the amount of property taxes that the taxpayer paid in the taxable year for the March 1, 2003, assessment date and the January 15, 2004, assessment date.

STEP THREE: Determine the result of the STEP ONE amount divided by the STEP TWO amount.

STEP FOUR: Multiply the STEP THREE amount by two thousand five hundred dollars ($2,500).

STEP FIVE: Determine the sum of the STEP FOUR amount and two thousand five hundred dollars ($2,500).".

Page 1, between lines 14 and 15, begin a new paragraph and insert:

"SECTION 4. IC 6-3.1-31 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]:

Chapter 31. Credit for Offering Health Benefit Plans

Sec. 1. This chapter applies to an employer that:

(1) employs at least ten (10) full-time employees who are located in Indiana; and

(2) does not offer coverage for health care services under a self-funded health benefit plan that complies with the federal Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.).

Sec. 2. As used in this chapter, "eligible benefits" means, with respect to an employee of a taxpayer that claims a credit under section 9 of this chapter, the total amount of health insurance premiums not included in the employee's federal adjusted gross income (as defined in Section 62 of the Internal Revenue Code) during a taxable year under the health benefit plan offered by the employer.

Sec. 3. As used in this chapter, "eligible taxpayer" means a taxpayer that did not provide health insurance to the taxpayer's employees in the taxable year immediately preceding the first taxable year for which the taxpayer claims a credit under this chapter.

Sec. 4. As used in this chapter, "full-time employee" means an employee who is normally scheduled to work at least thirty (30) hours each week.

Sec. 5. (a) As used in this chapter, "health benefit plan" means coverage for health care services provided under:

(1) an insurance policy that provides one (1) or more of the types of insurance described in Class 1(b) or Class 2(a) of IC 27-1-5-1; or

(2) a contract with a health maintenance organization for coverage of basic health care services under IC 27-13;

that satisfies the requirements of Section 125 of the Internal Revenue Code.

(b) The term does not include the following:

(1) Accident only, credit, dental, vision, Medicare supplement, long term care, or disability income insurance.

(2) Coverage issued as a supplement to liability insurance.

(3) Automobile medical payment insurance.

(4) A specified disease policy issued as an individual policy.

(5) A limited benefit health insurance policy issued as an individual policy.

(6) A short term insurance plan that:

(A) may not be renewed; and

(B) has a duration of not more than six (6) months.

(7) A policy that provides a stipulated daily, weekly, or monthly payment to an insured during hospital confinement, without regard to the actual expense of the confinement.

(8) Worker's compensation or similar insurance.

(9) A student health insurance policy.

Sec. 6. As used in this chapter, "pass through entity" means a:

(1) corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) partnership;

(3) limited liability company; or

(4) limited liability partnership.

Sec. 7. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (adjusted gross income tax);

(2) IC 6-5.5 (financial institutions tax); and

(3) IC 27-1-18-2 (insurance premiums tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

Sec. 8. As used in this chapter, "taxpayer" means an individual or entity that:

(1) has state tax liability; and

(2) employs at least ten (10) full-time employees who are located in Indiana.

Sec. 9. (a) An eligible taxpayer that, after December 31, 2006, makes health insurance available to the eligible taxpayer's employees and their dependents through at least one (1) health benefit plan is entitled to a credit against the taxpayer's state tax liability for the first two (2) taxable years in which the taxpayer makes the health benefit plan available if the following requirements are met:

(1) An employee's participation in the health benefit plan is at the employee's election.

(2) If an employee chooses to participate in the health benefit plan, the employee may pay the employee's share of the cost of the plan using a wage assignment authorized under IC 22-2-6-2.

(b) The credit allowed under this chapter equals the lesser of:

(1) two thousand five hundred dollars ($2,500); or

(2) fifty dollars ($50) multiplied by the number of employees enrolled in the health benefit plan during the taxable year.

Sec. 10. (a) An employer may pay or provide reimbursement for all or part of the cost of a health benefit plan made available under section 9 of this chapter.

(b) An employer that pays or provides reimbursement under subsection (a) shall pay or provide reimbursement on an equal basis for all full-time employees who elect to participate in the health benefit plan.

Sec. 11. (a) If the amount determined under section 9 of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback.

(b) A taxpayer is not entitled to a refund of any unused credit.

Sec. 12. If a pass through entity does not have state income tax liability against which the tax credit may be applied, a shareholder or partner of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder or partner is entitled.

Sec. 13. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department. The taxpayer must submit to the department all information that the department determines is necessary to calculate the credit provided by this chapter and to determine the taxpayer's eligibility for the credit.

Sec. 14. (a) A taxpayer claiming a credit under this chapter shall continue to make health insurance available to the taxpayer's employees through a health benefit plan for at least twenty-four (24) consecutive months beginning on the day after the last day of the taxable year in which the taxpayer first offers the health benefit plan.

(b) If the taxpayer terminates the health benefit plan before the expiration of the period required under subsection (a), the taxpayer shall repay the department the amount of the credit received under section 9 of this chapter.

Sec. 15. (a) An employee of a taxpayer that claims a credit under this chapter shall include in the employee's state adjusted gross income (as defined in IC 6-3-1-3.5(a)) the employee's eligible benefits for:

(1) the first taxable year in which the taxpayer offers the health benefit plan; and

(2) the taxable year immediately following the first taxable year in which the taxpayer offers the health benefit plan.

An employee's eligible benefits are not included in the employee's state adjusted gross income (as defined in IC 6-3-1-3.5(a)) for the taxable years following the taxable year described in subdivision (2).

(b) A taxpayer that claims a credit under this chapter shall notify each of the taxpayer's employees of the amount included in the employee's state adjusted gross income (as defined in IC 6-3-1-3.5(a)) under subsection (a) at the same time the taxpayer provides the employee with the employee's W-2 federal income tax withholding statement for the taxable year.

SECTION 5. IC 20-12-6-1.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.2. (a) In addition to the powers set forth in section 1 of this chapter, the corporations may:

(1) acquire, erect, construct, reconstruct, improve, rehabilitate, remodel, repair, complete, extend, enlarge, furnish, and operate any equipment that the governing boards of the corporations consider necessary for:

(A) carrying on the educational research or public service programs or discharging the statutory responsibilities of the educational institutions and their various divisions; or

(B) the management, operation, or servicing of the institutions; and

(2) establish liability or other loss insurance reserves or contribute those reserves or other capital to a risk retention group for the purpose of providing insurance coverage against liability claims.

(b) As used in this chapter:

(1) "building facility" includes:

(A) capital equipment;

(B) software; and

(C) other costs;

that directly relate to operating the building facility, as determined under accounting principles approved by the state board of accounts.

(2) "liability or other loss insurance reserves" means a fund set aside as a reserve to cover risk retained by the corporation in connection with liability claims or other losses;

(3) "risk retention group" means a trust, pool, corporation, partnership, or joint venture funded by and owned and operated for the benefit of more than one (1) eligible member;

(4) "eligible members" includes the corporations and all private institutions of higher education (as defined in IC 20-12-63-3); and

(5) "liability" means legal liability for damages (including costs of defense, legal costs and fees, and other claims expenses) because of injuries to other persons or entities, damage to their property or business, or other damage or loss to those persons or entities resulting from or arising out of any activity of any eligible member.

SECTION 6. IC 20-12-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Subject to ~~section~~ **sections 16 and** 17 of this chapter, bonds may be issued in an amount or amounts that do not exceed the maximum amount determined by the governing board of the issuing corporation.

(b) The bonds may be issued in the form and upon the terms and conditions, at the rate or rates of interest, and in the denominations which may be made convertible into different denominations as the governing board of the corporation may determine by the adoption of a resolution or approval of a form of trust indenture between the corporation and a designated corporate trustee, or both.

(c) The resolution or the indenture may include provisions for:

(1) protecting and enforcing the rights and remedies of the holders of the bonds being issued;

(2) covenants setting forth the duties of the corporation and its officers in relation to the acquisition, construction, operation, maintenance, use, and abandonment of the building facility, and insurance thereof;

(3) the custody, safeguarding, application, and investment of all money;

(4) the rights and remedies of the trustee and the holders of the bonds being issued;

(5) the issuance of additional bonds as provided in the resolution or indenture; and

(6) other terms, conditions, and covenants as the governing board of the corporation determines are proper, including provision for the establishment of a debt service reserve by:

(A) the use of bond proceeds or other sources;

(B) the furnishing of an insurance policy, surety bond, or letter of credit; or

(C) any combination of clause (A) or (B).

(d) The bonds shall be sold at public or negotiated sale as provided by IC 4-1-5.

(e) All bonds and the interest coupons appertaining to the bonds issued under this chapter shall be negotiable instruments within the meaning and for all purposes under the laws of this state, subject only to the provisions of the bonds for registration as to principal or as to principal and interest. Any bonds registered as to principal and interest may be made convertible to bearer bonds with coupons.

(f) No action to contest the validity of any bonds issued under this chapter shall be brought after the fifteenth day following:

(1) the first publication of notice of the sale or intent to sell the bonds under IC 4-1-5, if the bonds are sold at public sale; or

(2) the publication one (1) time in newspapers described in IC 4-1-5-1 of notice of execution and delivery of the contract of sale for the bonds, if the bonds are sold at negotiated sale.

(g) The corporation shall publish notice under subsection (f)(2) if it sells bonds at negotiated sale within thirty (30) days of execution of the contract of sale for the bonds.

(h) The rate or rates of interest of the bonds may be fixed or variable. Variable rates shall be determined in the manner and in accordance with the procedures set forth in the resolution or indenture authorizing the issuance of the bonds. Bonds bearing a variable rate of interest may be converted to bonds bearing a fixed rate or rates of interest to the extent and in the manner set forth in the resolution or indenture pursuant to which the bonds are issued. The interest may be payable semiannually, annually, or at any other interval or intervals as may be provided in the resolution or indenture, or the interest may be compounded and paid at maturity or at any other times as specified in the resolution or indenture.

(i) The bonds may be made subject, at the option of the holders, to mandatory redemption by the corporation at the times and under the circumstances set forth in the authorizing resolution or indenture.

(j) A resolution or the indenture may contain provisions regarding the investment of money, sale, exchange, or disposal of property and the manner of authorizing and making payments, notwithstanding IC 5-13 or any general statute relating to these matters.

SECTION 7. IC 20-12-6-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. The term "bond" or "bonds" as used in this chapter means any bonds (including refunding bonds), notes, temporary, interim, or permanent certificates

of indebtedness, debentures, or other obligations evidencing indebtedness for borrowed money. **The term does not include installment contracts or similar instruments under section 2 of this chapter.**

SECTION 8. IC 20-12-6-16, AS AMENDED BY P.L.235-2005, SECTION 195, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. **(a)** No bonds shall be issued by the corporations under the provisions of this chapter without the specific approval of:

(1) the budget agency if the bonds are issued for the refunding or advance refunding of any outstanding bonds approved as required by this chapter and the corporation makes the findings described in subsection (b); and

(2) the state budget committee, budget agency, and the governor of the state of Indiana, **if subdivision (1) does not apply.**

The budget agency may request and consider the recommendation of the staff of the Indiana finance authority with respect to the approval of a bond issue under this section.

(b) A corporation may provide for refunding or advance refunding of any outstanding bonds under subsection (a)(1) whenever the board of trustees of the corporation finds that the refunding or advance refunding will effect a benefit to the corporation because:

(1) a net savings to the corporation will be effected; or

(2) the net present value of principal and interest payments on the bonds is less than the net present value of the principal and interest payments on the outstanding bonds to be refunded.

SECTION 9. IC 20-12-6-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) Except for notes issued under section 8.5 of this chapter and except as provided in subsections ~~(d) and~~ (e) **through (i),** no bonds shall be issued for a project by the corporations under this chapter unless the general assembly:

(1) has specifically approved the project to be financed through the issuance and sale of these bonds; and

(2) has provided the amount of bonds which may be issued to fund the costs of acquiring, constructing, remodeling, renovating, furnishing, or equipping the specific project approved.

(b) In addition to and in connection with the amount of bonds that may be issued by a corporation for a specific project as provided in subsection (a)(2), the corporations may also issue bonds in amounts necessary to provide funds for debt service reserves, bond or reserve insurance, and other costs without additional approval by the general assembly, if these costs are incidental to the issuance of bonds for the project.

(c) The bonds, regardless of when the amount of bonds was approved by the general assembly, may be issued in an amount not exceeding:

(1) the amount of bonds approved by the general assembly together with the amounts described in subsection (b); plus

(2) the amount of the discount below par value, if bonds are sold at a price below par value under IC 4-1-5-1.

(d) As used in this subsection, "fee replacement" means payments to a corporation to be used to pay indebtedness resulting from financing the cost of planning, purchasing, rehabilitation, construction, repair, leasing, lease-purchasing, or otherwise acquiring land, buildings, facilities, and equipment to be used for academic and instructional purposes. A power granted under this section to issue bonds without the specific approval of the general assembly shall not be construed to permit the issuance of the bonds without the specific approvals required under section 16 of this chapter. Bonds issued without the specific approval of the general assembly are eligible for fee replacement only to the extent expressly authorized by a law enacted after the issuance of the bonds.

~~(d)~~ **(e)** Bonds may be issued by a corporation **for equipment, software, and other costs described in section 1.2(b)(1) of this chapter** without the approval of the general assembly if, after the issuance, the total amount of outstanding bonds issued by the corporation **for those purposes** without approval will not exceed ~~one~~ **ten** million dollars ~~($1,000,000). However, the bonds must be approved as provided in section 16 of this chapter.~~ **($10,000,000).**

~~(e)~~ **(f)** Bonds may be issued by a corporation without the approval of the general assembly to finance a qualified energy savings project (as defined in IC 20-12-5.5) if ~~(1)~~ annual operating savings to ~~a~~ **the** corporation arising from the implementation of a qualified energy savings project are reasonably expected to be at least equal to annual debt service requirements on bonds issued for this purpose in each fiscal year. ~~and (2)~~ **However,** the amount of bonds ~~that may be issued by each~~ **outstanding for the** corporation **at any time for qualified energy savings projects,** other than refunding bonds and exclusive of costs described in subsections (b) and (c), ~~does~~ **may** not exceed ~~ten~~ **twenty** million dollars ~~($10,000,000).~~ **($20,000,000).**

(g) Bonds may be issued by the trustees of Purdue University without the approval of the general assembly for deferred expenditures, as determined under accounting principles approved by the state board of accounts, to:

(1) repair, rehabilitate, remodel, renovate, or reconstruct existing facilities or buildings;

(2) improve or replace utilities or fixed equipment; or

(3) perform related site improvement work.

However, the total amount of bonds issued for the corporation under this subsection without the approval of the general assembly, other than refunding bonds and exclusive of costs described in subsections (b) and (c), may not exceed sixty million dollars ($60,000,000).

(h) Bonds may be issued by a corporation without the approval of the general assembly for technology expenditures, including:

(1) computing, telecommunications, hardware, software, networking, and supporting equipment; and

(2) related expenditures such as installation and other similar capitalizable costs.

(i) Bonds may be issued by a corporation without the approval of the general assembly to finance the purchase or lease-purchase of land or the construction of facilities or buildings if all of the following apply:

(1) The corporation has received written contractual and legally binding commitments for gifts, grants, or reimbursements that in total are sufficient to repay the bonds.

(2) Other available funds of the corporation are sufficient to make interest payments in the bonds until the gifts, grants, or reimbursements mature and the bonds are repaid.

(3) The gifts, grants, or reimbursements are payable under the terms of the agreements on specific dates and are not contingent on the donor's life expectancy.

(4) The gifts, grants, or reimbursements must be payable to the corporation in the form of cash or cash equivalents.

(5) The gifts, grants, or reimbursements are not subject to any condition that would prevent the corporation from using the gifts, grants, or reimbursements to repay bonds issued under this subsection or to repay the corporation for any interest payments made by the corporation.

SECTION 10. IC 20-12-7-7, AS AMENDED BY P.L.235-2005, SECTION 196, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. **(a)** No bonds shall be issued by the respective trustees under the provisions of this chapter without the specific approval of:

(1) the budget agency if the bonds are issued for the refunding or advance refunding of any outstanding bonds approved as required by this chapter and the institution makes the findings described in subsection (b); and

(2) the budget committee, budget agency, and the governor, **if subdivision (1) does not apply.**

The budget agency may request and consider the recommendation of the staff of the Indiana finance authority with respect to the approval of a bond issue under this section.

(b) An institution may provide for refunding or advance refunding of any outstanding bonds under subsection (a)(1) whenever the board of trustees of the institution finds that the refunding or advance refunding will effect a benefit to the institution because:

(1) a net savings to the institution will be effected; or

(2) the net present value of principal and interest payments on the bonds is less than the net present value of the principal and interest payments on the outstanding bonds to be refunded.

SECTION 11. IC 20-12-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The trustees of Indiana University, the trustees of Purdue University, Indiana State University board of trustees, the University of Southern Indiana board of trustees, and the Ball State University board of trustees are authorized and empowered, from time to time, if the governing boards of these corporations find that a necessity exists, to erect, construct, reconstruct, extend, remodel, improve, complete, equip, furnish, operate, control, and manage:

(1) dormitories and other housing facilities for single and married students and school personnel;

(2) food service facilities;

(3) student infirmaries and other health service facilities including revenue-producing hospital facilities serving the general public, together with parking facilities and other appurtenances in connection with any of the foregoing; **or**

(4) parking facilities in connection with academic facilities; ~~or~~

~~(5) medical research, facilities associated with a school of medicine, if the facilities will generate revenue from state, federal, local, or private gifts, grants, contractual payments, or reimbursements in an amount that is reasonably expected to at least equal the annual debt service requirements of the bonds for the facility for each fiscal year that the bonds are outstanding,~~

at or in connection with Indiana University, Purdue University, Indiana State University, the University of Southern Indiana, and Ball State University, for the purposes of the respective institutions. ~~These~~

(b) The trustees of Indiana University and the trustees of Purdue University may, from time to time, if the governing boards of these corporations find that a necessity exists, erect, construct, reconstruct, extend, remodel, improve, complete, equip, furnish, operate, control, and manage facilities used for clinical, medical, scientific, engineering, or other similar qualitative, quantitative, or experimental research, if revenue from state, federal, local, or private gifts, grants, contractual payments, or reimbursements is available in an amount that is reasonably expected to at least equal the annual debt service requirements of the bonds for the facility for each fiscal year that the bonds are outstanding at or in connection with any of the following campuses of Indiana University or Purdue University:

(1) Purdue University-West Lafayette Campus.

(2) Indiana University-Purdue University at Indianapolis (IUPUI).

(3) Indiana University-Bloomington Campus.

(c) The corporations **described in subsection (a) or (b)** are also authorized and empowered to acquire, by purchase, lease, condemnation, gift or otherwise, any property, real or personal, that in the judgment of these corporations is necessary for the purposes set forth in this section. The corporations may improve and use any property acquired for the purposes set forth in this section.

~~(b)~~ **(d)** Title to all property so acquired, including the improvements located on the property, shall be taken and held by and in the name of the corporations. If the governing board of any of these corporations determines that real estate, the title to which is in the name of the state, for the use and benefit of the corporation or institution under its control, is reasonably required for any of the purposes set forth in this section, the real estate may, upon request in writing of the governing board of the corporation to the governor of the state and upon the approval of the governor, be conveyed by deed from the state to the corporation. The governor shall be authorized to execute and deliver the deed in the name of the state, signed on behalf of the state by the governor, attested by the auditor of state and with the seal of the state affixed to the deed.

SECTION 12. IC 20-12-8-7, AS AMENDED BY P.L.235-2005, SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. **(a)** No bonds shall be issued by the corporations under the provisions of this chapter without the specific approval of:

(1) the budget agency if the bonds are issued for the refunding or advance refunding of any outstanding bonds approved as required by this chapter and the corporation makes the findings described in subsection (b); and

(2) the budget committee, budget agency, and the governor, **if subdivision (1) does not apply.**

The budget agency may request and consider the recommendation of the staff of the Indiana finance authority with respect to the approval of a bond issue under this section.

(b) A corporation may provide for refunding or advance refunding of any outstanding bonds under subsection (a)(1) whenever the board of trustees of the corporation finds that the refunding or advance refunding will effect a benefit to the corporation because:

(1) a net savings to the corporation will be effected; or

(2) the net present value of principal and interest payments on the bonds is less than the net present value of the principal and interest payments on the outstanding bonds to be refunded.".

Page 1, after line 17, begin a new paragraph and insert:

"SECTION 22. [EFFECTIVE JANUARY 1, 2007] **(a) IC 6-3-1-3.5, as amended by this act, applies only to taxable years beginning after December 31, 2006.**

(b) IC 6-3.1-31, as added by this act, applies only to taxable years beginning after December 31, 2006.

SECTION 23. [EFFECTIVE JULY 1, 2006] **The trustees of Indiana State University may issue and sell bonds under IC 20-12-6, subject to the approvals required by IC 20-12-5.5, for the purpose of constructing, furnishing, and equipping the Student Recreation Center Project, if the sum of principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed twenty-four million dollars ($24,000,000). The project is not eligible for fee replacement.**

SECTION 24. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1029 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 22, nays 0.

ESPICH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1062, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 11, nays 0.

BEHNING, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1089, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 7, nays 0.

HINKLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1124, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, between lines 35 and 36, begin a new line block indented and insert:

"**(5) The total amount of all loans under this chapter for all calendar years may not exceed thirteen million dollars ($13,000,000).**".

(Reference is to HB 1124 as printed January 20, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 18, nays 0.

ESPICH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred House Bill 1128, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 10, nays 0.

ULMER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1140, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between line 1 and the enacting clause, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-4-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006 (RETROACTIVE)]: Sec. 12. **(a) As used in this section, "land developer" means a person that holds land for sale in the ordinary course of the person's trade or business.**

(b) As used in this section, "land in inventory" means:

(1) a lot; or

(2) a tract that has not been subdivided into lots;

to which a land developer holds title in the ordinary course of the land developer's trade or business.

(c) As used in this section, "title" refers to legal or equitable title, including the interest of a contract purchaser.

(d) Except as provided in subsections (h) and (i), if:

(1) land assessed on an acreage basis is subdivided into lots; ~~the land shall be reassessed on the basis of lots. If~~ **or**

(2) land is rezoned for, or put to, a different use;

the land shall be reassessed on the basis of its new classification.

(e) If improvements are added to real property, the improvements shall be assessed.

(f) An assessment or reassessment made under this section is effective on the next assessment date. ~~However, if land assessed on an acreage basis is subdivided into lots, the lots may not be reassessed until the next assessment date following a transaction which results in a change in legal or equitable title to that lot.~~

(g) No petition to the department of local government finance is necessary with respect to an assessment or reassessment made under this section.

(h) Subject to subsection (i), land in inventory may not be reassessed until the next assessment date following the earliest of:

(1) the date on which title to the land is transferred by:

(A) the land developer; or

(B) a successor land developer that acquires title to the land;

to a person that is not a land developer;

(2) the date on which construction of a structure begins on the land; or

(3) the date on which a building permit is issued for construction of a building or structure on the land.

(i) Subsection (h) applies regardless of whether the land in inventory is rezoned while a land developer holds title to the land.".

Page 5, between lines 5 and 6, begin a new paragraph and insert:

"SECTION 3. IC 6-1.1-22-9.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9.5. (a) This section applies only to property taxes first due and payable in a year that begins after December 31, 2003:

(1) with respect to a homestead (as defined in IC 6-1.1-20.9-1); and

(2) that are not payable in one (1) installment under section 9(b) of this chapter.

(b) At any time before the mailing or transmission of tax statements for a year under section 8 of this chapter, a county may petition the department of local government finance to establish a schedule of installments for the payment of property taxes with respect to:

(1) real property that are based on the assessment of the property in the immediately preceding year; or

(2) a mobile home or manufactured home that is not assessed as real property that are based on the assessment of the property in the current year.

The county fiscal body (as defined in IC 36-1-2-6) ~~the county auditor, and the county treasurer~~ must approve a petition under this subsection.

(c) The department of local government finance:

(1) may not establish a date for:

(A) an installment payment that is earlier than May 10 of the year in which the tax statement is mailed or transmitted;

(B) the first installment payment that is later than November 10 of the year in which the tax statement is mailed or transmitted; or

(C) the last installment payment that is later than May 10 of the year immediately following the year in which the tax statement is mailed or transmitted; and

(2) shall:

(A) prescribe the form of the petition under subsection (b);

(B) determine the information required on the form; and

(C) notify the county fiscal body, the county auditor, and the county treasurer of the department's determination on the petition not later than twenty (20) days after receiving the petition.

(d) Revenue from property taxes paid under this section in the year immediately following the year in which the tax statement is mailed or transmitted under section 8 of this chapter:

(1) is not considered in the determination of a levy excess under IC 6-1.1-18.5-17 or IC 6-1.1-19-1.7 for the year in which the property taxes are paid; and

(2) may be:

(A) used to repay temporary loans entered into by a political subdivision for; and

(B) expended for any other reason by a political subdivision in the year the revenue is received under an appropriation from;

the year in which the tax statement is mailed or transmitted under section 8 of this chapter.

SECTION 4. IC 6-1.1-37-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 10. (a) Except as provided in section 10.5 of this chapter, if an installment of property taxes is not completely paid on or before the due date, a penalty ~~equal to ten percent (10%) of the amount of delinquent taxes~~ shall be added to the unpaid portion in the year of the initial delinquency. **The penalty is equal to an amount determined as follows:**

(1) If:

(A) an installment of property taxes is completely paid on or before the date thirty (30) days after the due date; and

(B) the taxpayer is not liable for delinquent property taxes first due and payable in a previous year for the same parcel;

the amount of the penalty is equal to five percent (5%) of the amount of delinquent taxes.

(2) If subdivision (1) does not apply, the amount of the penalty is equal to ten percent (10%) of the amount of delinquent taxes.

(b) With respect to property taxes due in two (2) equal installments under IC 6-1.1-22-9(a), on the day immediately following the due dates in May and November of each year following the year of the initial delinquency, an additional penalty equal to ten percent (10%) of any taxes remaining unpaid shall be added. With respect to property taxes due in installments under IC 6-1.1-22-9.5, an additional penalty equal to ten percent (10%) of any taxes remaining unpaid shall be added on the day immediately following each date that succeeds the last installment due date by:

(1) six (6) months; or

(2) a multiple of six (6) months.

(c) The penalties under subsection (b) are imposed only on the principal amount of the delinquent taxes.

(d) If the department of local government finance determines that an emergency has occurred which precludes the mailing of the tax statement in any county at the time set forth in IC 6-1.1-22-8, the department shall establish by order a new date on which the installment of taxes in that county is due and no installment is delinquent if paid by the date so established.

(e) If any due date falls on a Saturday, a Sunday, a national legal holiday recognized by the federal government, or a statewide holiday, the act that must be performed by that date is timely if performed by the next succeeding day that is not a Saturday, a Sunday, or one (1) of those holidays.

(f) A payment to the county treasurer is considered to have been paid by the due date if the payment is:

(1) received on or before the due date to the county treasurer or a collecting agent appointed by the county treasurer;

(2) deposited in the United States mail:

(A) properly addressed to the principal office of the county treasurer;

(B) with sufficient postage; and

(C) certified or postmarked by the United States Postal Service as mailed on or before the due date; or

(3) deposited with a nationally recognized express parcel carrier and is:

(A) properly addressed to the principal office of the county treasurer; and

(B) verified by the express parcel carrier as:

(i) paid in full for final delivery; and

(ii) received on or before the due date.

For purposes of this subsection, "postmarked" does not mean the date printed by a postage meter that affixes postage to the envelope or package containing a payment.".

Page 5, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 6. IC 14-33-10-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) An assessment not paid in full shall be paid in annual installments over the time commensurate with the term of the bond issue or other financing determined by resolution adopted by the board. Interest shall be charged on the unpaid balance at the same rate per year as the penalty charged on delinquent property tax payments under ~~IC 6-1.1-37-10.~~ **IC 6-1.1-37-10(a).** All payments of installments, interest, and penalties shall be entered on the assessment roll in the office of the district.

(b) Upon payment in full of the assessment, including interest and penalties, the board shall have the lien released and satisfied on the records in the office of the recorder of the county in which the real property assessed is located.

(c) The procedure for collecting assessments for maintenance and operation is the same as for the original assessment, except that the assessments may not be paid in installments.

SECTION 7. IC 36-9-36-37 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 37. (a) Except as provided in section 38 of this chapter, the entire assessment is payable in cash without interest not later than thirty (30) days after the approval of the assessment roll by the works board if an agreement has not been signed and filed under section 36 of this chapter.

(b) If the assessment is not paid when due, the total assessment becomes delinquent and bears interest at the rate prescribed by ~~IC 6-1.1-37-10~~ **IC 6-1.1-37-10(a)** per year from the date of the final acceptance of the completed improvement by the works board.

SECTION 8. IC 36-9-36-55 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 55. (a) An irregularity or error in making a foreclosure sale under this chapter does not make the sale ineffective, unless the irregularity or error substantially prejudiced the property owner.

(b) A property owner has two (2) years from the date of sale in which to redeem the owner's property. The property owner may redeem the owner's property by paying the principal, interest, and costs of the judgment, plus interest on the principal, interest, and costs at the rate prescribed by ~~IC 6-1.1-37-10.~~ **IC 6-1.1-37-10(a).**

(c) If the property is not redeemed, the sheriff shall execute a deed to the purchaser. The deed relates back to the final letting of the contract for the improvement and is superior to all liens, claims, and interests, except liens for taxes.

SECTION 9. IC 36-9-37-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 19. (a) If a person defaults in the payment of a waivered installment of principal or interest of an assessment, the municipal fiscal officer shall mail notice of the default to the person. The notice must meet the following conditions:

(1) Be mailed not more than sixty (60) days after the default.

(2) Show the amount of the default, plus interest on that amount for the number of months the person is in default at one-half (½) the rate prescribed by ~~IC 6-1.1-37-10.~~ **IC 6-1.1-37-10(a).**

(3) State that the amount of the default, plus interest, is due by the date determined as follows:

(A) If the person selected monthly installments under ~~IC 36-9-37-8.5(a)(1),~~ **section 8.5(a)(2) of this chapter,** within sixty (60) days after the date the notice is mailed.

(B) If the person selected annual installments under ~~IC 36-9-37-8.5(a)(2),~~ **section 8.5(a)(1) of this chapter,** within six (6) months after the date the notice is mailed.

(b) A notice that is mailed to the person in whose name the property is assessed and addressed to the person within the municipality is sufficient notice. However, the fiscal officer shall also attempt to determine the name and address of the current owner of the property and send a similar notice to the current owner.

(c) Failure to send the notice required by this section does not preclude or otherwise affect the following:

(1) The sale of the property for delinquency as prescribed by IC 6-1.1-24.

(2) The foreclosure of the assessment lien by the bondholder.

(3) The preservation of the assessment lien under section 22.5 of this chapter.

SECTION 10. IC 36-9-37-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 20. (a) If any principal and interest, or an installment of principal and interest, is not paid in full when due, the municipal fiscal officer shall enforce payment of the following:

(1) The unpaid amount of principal and interest.

(2) A penalty of interest at the rate prescribed by subsection (b).

(b) If payment is made after a default, the municipal fiscal officer shall also collect a penalty of interest on the delinquent amount at one-half (1/2) the rate prescribed by ~~IC 6-1.1-37-10~~ **IC 6-1.1-37-10(a)** for each six (6) month period, or fraction of a six (6) month period, from the date when payment should have been made.

SECTION 11. [EFFECTIVE JANUARY 1, 2006 (RETROACTIVE)] **IC 6-1.1-4-12, as amended by this act, applies only to assessment dates after December 31, 2005.**

SECTION 12. [EFFECTIVE JULY 1, 2006] **IC 6-1.1-37-10, as amended by this act, applies only to ad valorem property taxes first due and payable after December 31, 2006.**

SECTION 13. [EFFECTIVE UPON PASSAGE] **(a) The definitions in IC 6-1.1-12 apply throughout this SECTION.**

(b) As used in this SECTION, "department" refers to the department of local government finance.

(c) As used in this SECTION, "taxpayer" means a person:

(1) who operates a grey iron foundry located in Grant County;

(2) who applied in 2001 for property tax deductions under IC 6-1.1-12.1 for new manufacturing equipment located in an economic revitalization area; and

(3) whose applications described in subdivision (2) were denied.

(d) References to the Indiana Code in this SECTION refer to the Indiana Code in effect on March 1, 2001, unless otherwise stated.

(e) Notwithstanding any other law, a taxpayer who complies with the requirements of this SECTION is entitled to the property tax deduction for new manufacturing equipment in the amounts and for the number of years provided under IC 6-1.1-12.1-4.5, as determined by the department under subsection (h).

(f) The taxpayer shall provide the department with copies of

the taxpayer's:

(1) statement of benefits; and

(2) applications for deductions from assessed value;

for new manufacturing equipment placed in service in an economic revitalization area that the taxpayer filed in 2001.

(g) If there are any deficiencies in the taxpayer's filings described in subsection (e), the department of local government finance shall assist the taxpayer in completing the information necessary to determine:

(1) the assessed value of the new manufacturing equipment; and

(2) the number of years over which the taxpayer is entitled to the deduction under this SECTION.

(h) The department shall determine:

(1) the amount of the assessed value of the new manufacturing equipment;

(2) the number of years over which the taxpayer is entitled to the deduction under this SECTION; and

(3) the percentages used to compute the taxpayer's deductions;

in accordance with IC 6-1.1-12.1-4.5(d) and IC 6-1.1-12.1-4.5(e) as if the taxpayer's had been approved in 2001.

(i) Notwithstanding IC 6-1.1-26 (as in effect on January 1, 2006), when the department has completed the department's determinations under subsection (h), the department shall issue an order to the county auditor of the county in which the economic revitalization area is located:

(1) describing the department's determinations under subsection (h); and

(2) requiring the county auditor to accept the taxpayer's refund claims as if the taxpayer's deduction application had been approved in 2001.

The taxpayer shall provide the taxpayer with a copy of the order issued under this subsection.

(j) Notwithstanding IC 6-1.1-26 (as in effect January 1, 2006), the taxpayer may file refund claims for property taxes paid in previous years that are affected by the department's order issued under subsection (i). The taxpayer must attach a copy of the order issued under subsection (i) to the taxpayer's refund claim.

(k) Notwithstanding IC 6-1.1-26 (as in effect January 1, 2006), the county auditor shall pay the refund claims of the taxpayer filed under subsection (j) if the refund claims are fully consistent with the department's order issued under subsection (i).

SECTION 14. [EFFECTIVE UPON PASSAGE] **(a) This SECTION applies to property that:**

(1) is used for a fraternity for students attending Butler University;

(2) is owned by a nonprofit corporation that was, before the effective date of this SECTION, determined by the auditor of the county in which the property is located to be eligible to receive a property tax exemption under IC 6-1.1-10-16 or IC 6-1.1-10-24; and

(3) is not eligible for the property tax exemption under IC 6-1.1-10-16 or IC 6-1.1-10-24 for property taxes first due and payable in 2001, 2002, 2003, and 2004 because the nonprofit corporation failed to timely file an application under IC 6-1.1-11-3.5.

(b) Notwithstanding IC 6-1.1-11-1 and IC 6-1.1-11-3.5, the auditor of the county in which the property described in subsection (a) is located shall:

(1) waive the noncompliance with the timely filing requirement for the exemption application in question; and

(2) grant the appropriate exemption.

(c) A property tax exemption granted under this SECTION applies to:

(1) property taxes first due and payable in 2001;

(2) property taxes first due and payable in 2002;

(3) property taxes first due and payable in 2003; and

(4) property taxes first due and payable in 2004.

(d) This SECTION expires July 1, 2007.

SECTION 15. P.L.228-2005, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 35. (a) The definitions in IC 6-1.1-1 apply throughout this SECTION.

(b) As used in this SECTION, "taxpayer" means a nonprofit corporation that is an owner of land and improvements:

(1) that were:

(A) owned and occupied by the taxpayer during the period preceding the assessment date in 1999 and continuing through the date that this SECTION is effective; and

(B) used to prepare and create a soccer facility to provide youths with the opportunity to play supervised and organized soccer against other youths;

(2) for which the property tax liability imposed for property taxes first due and payable in 2000, 2001, 2002, 2003, and 2004 exceeded ~~thirty-three~~ **thirty** thousand dollars ~~($33,000)~~ **($30,000),** in total, which has been paid by the taxpayer;

(3) that would have qualified for an exemption under IC 6-1.1-10 from property taxes first due and payable in 2000, 2001, 2002, 2003, and 2004 if the taxpayer had complied with the filing requirements for the exemption in a timely manner; and

(4) that have been granted an exemption under IC 6-1.1-10 from property taxes first due and payable in 2005.

(c) Land and improvements described in subsection (b) are exempt under IC 6-1.1-10-16 from property taxes first due and payable in 2003 and 2004, notwithstanding that the taxpayer failed to make a timely application for the exemption for those years.

(d) The taxpayer may file claims with the county auditor for a refund for the amounts paid toward property taxes on land and improvements described in subsection (b) that were billed to the taxpayer for property taxes first due and payable in 2003 and 2004. The claims must be filed as set forth in IC 6-1.1-26-1(1) through IC 6-1.1-26-1(3). The claims must present sufficient facts for the county auditor to determine whether the claimant is a person that meets the qualifications described in subsection (b) and the amount that should be refunded to the taxpayer.

(e) Upon receiving a claim filed under this SECTION, the county auditor shall determine whether the claim is correct. If the county auditor determines that the claim is correct, the county auditor shall submit the claim under IC 6-1.1-26-4 to the county board of commissioners for review. The only grounds for disallowing the claim under IC 6-1.1-26-4 are that the claimant is not a person that meets the qualifications described in subsection (b) or that the amount claimed is not the amount due to the taxpayer. If the claim is allowed, the county auditor shall, without an appropriation being required, issue a warrant to the claimant payable from the county general fund for the amount due the claimant under this SECTION. The amount of the refund must equal the amount of the claim allowed. Notwithstanding IC 6-1.1-26-5, no interest is payable on the refund.

(f) This SECTION shall be liberally construed in favor of the taxpayer to give effect to the purposes of this SECTION.

~~(f)~~ **(g)** This SECTION expires December 31, 2007.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1140 as printed January 20, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 21, nays 0.

ESPICH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred House Bill 1155, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 7, line 6, delete "of" and insert "**of:**

(A)".

Page 7, line 7, delete "(IC 35-42-4-3)" and insert "**(IC 35-42-4-3) if the person was at least eighteen (18) years of age at the time the person committed the offense;**".

Page 7, line 7, delete "of", begin a new line double block indented, and insert:

"**(B)**".

Page 7, line 8, delete "molesting;" and insert "**molesting if the person was at least eighteen (18) years of age at the time the person committed the offense;**".

Page 7, line 9, delete "defined" and insert "**described**".

Page 7, line 9, after "IC 35-38-2.5-3)" delete "." and insert "**that can transmit information twenty-four (24) hours each day regarding a person's precise location.**".

Page 7, delete lines 10 through 39, begin a new paragraph and insert:

"**(j) The following conditions of parole apply to a parolee who has been convicted of child molesting (IC 35-42-4-3) or of an offense in another jurisdiction that is substantially similar to child molesting:**

(1) The parolee may not reside within one thousand (1,000) feet of:

(A) school property (as defined in IC 35-41-1-24.7);

(B) a public park (as defined in IC 35-41-1-23.7); or

(C) a youth program center (as defined in IC 35-41-1-29).

(2) The parolee may not own, operate, manage, be employed by, or volunteer at any attraction designed to be primarily enjoyed by children less than sixteen (16) years of age, including:

(A) a haunted house;

(B) a circus;

(C) an animal ride for children;

(D) a petting zoo;

(E) a carnival ride;

(F) a video game or pinball arcade; or

(G) a theatrical production:

(i) designed to appeal to children; or

(ii) in which most participants are children.".

Page 8, line 2, after "parole" insert "**that involves direct or indirect contact with a child less than sixteen (16) years of age or with the victim of a sex crime described in IC 5-2-12-4 that was committed by the person**".

Page 8, line 8, delete "if:" and insert "**if**".

Page 8, line 9, delete "(1)".

Page 8, line 9, after "this" insert "**section.**".

Page 8, run in lines 8 through 9.

Page 8, delete line 10.

Page 8, delete lines 11 through 21.

Page 9, line 9, delete "(IC 35-42-4-3)." and insert "**(IC 35-42-4-3) who was at least eighteen (18) years of age at the time the person committed the offense.**".

Page 9, line 14, delete "(IC 35-42-4-3)." and insert "**(IC 35-42-4-3) who was at least eighteen (18) years of age at the time the person committed the offense.**".

Page 9, line 15, after "molesting" insert "**who was at least eighteen (18) years of age at the time the person committed the offense**".

Page 9, line 21, delete "(IC 35-42-4-3)." and insert "**(IC 35-42-4-3) if the person was at least eighteen (18) years of age at the time the person committed the offense.**".

Page 9, line 27, after "molesting" insert "**and who was at least eighteen (18) years of age at the time the person committed the offense**".

Page 9, line 29, delete "Indiana," and insert "**Indiana who was at least eighteen (18) years of age at the time the person committed the offense,**".

Page 9, line 32, delete "defined" and insert "**described**".

Page 9, line 32, after "IC 35-38-2.5-3)" delete "." and insert "**that can transmit information twenty-four (24) hours each day regarding a person's precise location.**".

Page 10, line 11, delete "IC 35-42-4-3, as".

Page 10, line 12, delete "amended by this act, and".

Page 10, line 12, delete "apply" and insert "**applies**".

Page 10, line 15, delete "person:" and insert "**person who commits a crime after June 30, 2006.**".

Page 10, delete lines 16 through 18.

Renumber all SECTIONS consecutively.

(Reference is to HB 1155 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

ULMER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1156, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 11, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 8. IC 33-33-49-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) There is established a superior court in Marion County. The court consists of: ~~thirty-two (32)~~

(1) thirty-four (34) judges **beginning January 1, 2007, and ending December 31, 2008; and**

(2) thirty-six (36) judges beginning January 1, 2009.

(b) To be qualified to serve as a judge of the court, a person must be, at the time a declaration of candidacy or a petition of nomination under IC 3-8-6 is filed:

(1) a resident of Marion County; and

(2) an attorney who has been admitted to the bar of Indiana for at least five (5) years.

(c) During the term of office, a judge of the court must remain a resident of Marion County.

SECTION 9. IC 33-33-49-13, AS AMENDED BY P.L.2-2005, SECTION 93, AND AS AMENDED BY P.L.58-2005, SECTION 35, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) Each judge of the court shall be elected for a term of six (6) years that begins January 1 after the year of the judge's election and continues through December 31 in the sixth year. The judge shall hold office for the six (6) year term or until the judge's successor is elected and qualified. A candidate for judge shall run at large for the office of judge of the court and not as a candidate for judge of a particular room or division of the court.

(b) Beginning with the primary election held in ~~1996~~ **2008** and every six (6) years thereafter, a political party may nominate not more than ~~eight (8)~~ **nine (9)** candidates for judge of the court. Beginning with the primary election held in ~~2000~~ **2006** and every six (6) years thereafter, a political party may nominate not more than ~~nine (9)~~ **ten (10)** candidates for judge of the court. The candidates shall be voted on at the general election. Other candidates may qualify under IC 3-8-6 to be voted on at the general election.

(c) The names of the party candidates nominated and properly certified to the Marion County election board, along with the names of other candidates who have qualified, shall be placed on the ballot at the general election in the form prescribed by ~~*IC 3-11-2.*~~ *IC 3-11.* Beginning with the ~~1996~~ **2008** general election and every six (6) years thereafter, persons eligible to vote at the general election may vote for ~~fifteen (15)~~ **seventeen (17)** candidates for judge of the court. Beginning with the ~~2000~~ **2006** general election and every six (6) years thereafter, persons eligible to vote at the general election may vote for ~~seventeen (17)~~ **nineteen (19)** candidates for judge of the court.

(d) The candidates for judge of the court receiving the highest number of votes shall be elected to the vacancies. The names of the candidates elected as judges of the court shall be certified to the county election board as provided by law.

SECTION 10. IC 33-33-49-32, AS AMENDED BY P.L.33-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. (a) In addition to the magistrate appointed under section 31 of this chapter, the judges of the superior court may, by a vote of a majority of the judges, appoint: ~~four (4)~~

(1) six (6) full-time magistrates under IC 33-23-5 **until January 1, 2008, not more than three (3) of whom may be from the same political party; and**

(2) eight (8) full-time magistrates under IC 33-23-5 after December 31, 2007, not more than four (4) of whom may be from the same political party.

~~(b) Not more than two (2) of the magistrates appointed under this section may be of the same political party.~~

~~(c)~~ **(b)** The magistrates continue in office until removed by the vote of a majority of the judges of the court.

~~(d)~~ **(c)** A party to a superior court proceeding that has been

assigned to a magistrate appointed under this section may request that an elected judge of the superior court preside over the proceeding instead of the magistrate to whom the proceeding has been assigned. A request under this subsection must be in writing and must be filed with the court:

(1) in a civil case, not later than:

(A) ten (10) days after the pleadings are closed; or

(B) thirty (30) days after the case is entered on the chronological case summary, in a case in which the defendant is not required to answer; or

(2) in a criminal case, not later than ten (10) days after the omnibus date.

Upon a timely request made under this subsection by either party, the magistrate to whom the proceeding has been assigned shall transfer the proceeding back to the superior court judge.

SECTION 11. IC 33-37-4-1, AS AMENDED BY P.L.176-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) For each action that results in a felony conviction under IC 35-50-2 or a misdemeanor conviction under IC 35-50-3, the clerk shall collect from the defendant a criminal costs fee of one hundred ~~twenty~~ **twenty-one** dollars ~~($120).~~ **($121).**

(b) In addition to the criminal costs fee collected under this section, the clerk shall collect from the defendant the following fees if they are required under IC 33-37-5:

(1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).

(2) A marijuana eradication program fee (IC 33-37-5-7).

(3) An alcohol and drug services program user fee (IC 33-37-5-8(b)).

(4) A law enforcement continuing education program fee (IC 33-37-5-8(c)).

(5) A drug abuse, prosecution, interdiction, and correction fee (IC 33-37-5-9).

(6) An alcohol and drug countermeasures fee (IC 33-37-5-10).

(7) A child abuse prevention fee (IC 33-37-5-12).

(8) A domestic violence prevention and treatment fee (IC 33-37-5-13).

(9) A highway work zone fee (IC 33-37-5-14).

(10) A deferred prosecution fee (IC 33-37-5-17).

(11) A document storage fee (IC 33-37-5-20).

(12) An automated record keeping fee (IC 33-37-5-21).

(13) A late payment fee (IC 33-37-5-22).

(14) A sexual assault victims assistance fee (IC 33-37-5-23).

(15) A public defense administration fee (IC 33-37-5-21.2).

(16) A judicial insurance adjustment fee (IC 33-37-5-25).

(17) A judicial salaries fee (IC 33-37-5-26).

(18) A court administration fee (IC 33-37-5-27).

(19) A DNA sample processing fee (IC 33-37-5-26.2).

(c) Instead of the criminal costs fee prescribed by this section, the clerk shall collect a pretrial diversion program fee if an agreement between the prosecuting attorney and the accused person entered into under IC 33-39-1-8 requires payment of those fees by the accused person. The pretrial diversion program fee is:

(1) an initial user's fee of ~~fifty~~ **fifty-one** dollars ~~($50),~~ **($51);** and

(2) a monthly user's fee of ~~ten~~ **eleven** dollars ~~($10)~~ **($11)** for each month that the person remains in the pretrial diversion program.

(d) The clerk shall transfer to the county auditor or city or town fiscal officer the following fees, not later than thirty (30) days after the fees are collected:

(1) The pretrial diversion fee.

(2) The marijuana eradication program fee.

(3) The alcohol and drug services program user fee.

(4) The law enforcement continuing education program fee.

The auditor or fiscal officer shall deposit fees transferred under this subsection in the appropriate user fee fund established under IC 33-37-8.

(e) Unless otherwise directed by a court, if a clerk collects only part of a criminal costs fee from a defendant under this section, the clerk shall distribute the partial payment of the criminal costs fee as follows:

(1) The clerk shall apply the partial payment to general court costs.

(2) If there is money remaining after the partial payment is applied to general court costs under subdivision (1), the clerk shall distribute the remainder of the partial payment for deposit in the appropriate county user fee fund.

(3) If there is money remaining after distribution under subdivision (2), the clerk shall distribute the remainder of the partial payment for deposit in the state user fee fund.

(4) If there is money remaining after distribution under subdivision (3), the clerk shall distribute the remainder of the partial payment to any other applicable user fee fund.

(5) If there is money remaining after distribution under subdivision (4), the clerk shall apply the remainder of the partial payment to any outstanding fines owed by the defendant.

SECTION 12. IC 33-37-4-2, AS AMENDED BY P.L.176-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) Except as provided in subsections (d) and (e), for each action that results in a judgment:

(1) for a violation constituting an infraction; or

(2) for a violation of an ordinance of a municipal corporation (as defined in IC 36-1-2-10);

the clerk shall collect from the defendant an infraction or ordinance violation costs fee of ~~seventy~~ **seventy-one** dollars ~~($70).~~ **($71).**

(b) In addition to the infraction or ordinance violation costs fee collected under this section, the clerk shall collect from the defendant the following fees, if they are required under IC 33-37-5:

(1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).

(2) An alcohol and drug services program user fee (IC 33-37-5-8(b)).

(3) A law enforcement continuing education program fee (IC 33-37-5-8(c)).

(4) An alcohol and drug countermeasures fee (IC 33-37-5-10).

(5) A highway work zone fee (IC 33-37-5-14).

(6) A deferred prosecution fee (IC 33-37-5-17).

(7) A jury fee (IC 33-37-5-19).

(8) A document storage fee (IC 33-37-5-20).

(9) An automated record keeping fee (IC 33-37-5-21).

(10) A late payment fee (IC 33-37-5-22).

(11) A public defense administration fee (IC 33-37-5-21.2).

(12) A judicial insurance adjustment fee (IC 33-37-5-25).

(13) A judicial salaries fee (IC 33-37-5-26).

(14) A court administration fee (IC 33-37-5-27).

(15) A DNA sample processing fee (IC 33-37-5-26.2).

(c) The clerk shall transfer to the county auditor or fiscal officer of the municipal corporation the following fees, not later than thirty (30) days after the fees are collected:

(1) The alcohol and drug services program user fee (IC 33-37-5-8(b)).

(2) The law enforcement continuing education program fee (IC 33-37-5-8(c)).

(3) The deferral program fee (subsection e).

The auditor or fiscal officer shall deposit the fees in the user fee fund established under IC 33-37-8.

(d) The defendant is not liable for any ordinance violation costs fee in an action if all the following apply:

(1) The defendant was charged with an ordinance violation subject to IC 33-36.

(2) The defendant denied the violation under IC 33-36-3.

(3) Proceedings in court against the defendant were initiated under IC 34-28-5 (or IC 34-4-32 before its repeal).

(4) The defendant was tried and the court entered judgment for the defendant for the violation.

(e) Instead of the infraction or ordinance violation costs fee prescribed by subsection (a), the clerk shall collect a deferral program fee if an agreement between a prosecuting attorney or an attorney for a municipal corporation and the person charged with a violation entered into under IC 34-28-5-1 (or IC 34-4-32-1 before its repeal) requires payment of those fees by the person charged with the violation. The deferral program fee is:

(1) an initial user's fee not to exceed ~~fifty-two~~ **fifty-three** dollars ~~($52),~~ **($53);** and

(2) a monthly user's fee not to exceed ~~ten~~ **eleven** dollars ~~($10)~~

($11) for each month the person remains in the deferral program.

(f) The fees prescribed by this section are costs for purposes of IC 34-28-5-5 and may be collected from a defendant against whom judgment is entered. Any penalty assessed is in addition to costs.

SECTION 13. IC 33-37-4-3, AS AMENDED BY P.L.176-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) The clerk shall collect a juvenile costs fee of one hundred ~~twenty~~ **twenty-one** dollars ~~($120)~~ **($121)** for each action filed under any of the following:

(1) IC 31-34 (children in need of services).

(2) IC 31-37 (delinquent children).

(3) IC 31-14 (paternity).

(b) In addition to the juvenile costs fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:

(1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).

(2) A marijuana eradication program fee (IC 33-37-5-7).

(3) An alcohol and drug services program user fee (IC 33-37-5-8(b)).

(4) A law enforcement continuing education program fee (IC 33-37-5-8(c)).

(5) An alcohol and drug countermeasures fee (IC 33-37-5-10).

(6) A document storage fee (IC 33-37-5-20).

(7) An automated record keeping fee (IC 33-37-5-21).

(8) A late payment fee (IC 33-37-5-22).

(9) A public defense administration fee (IC 33-37-5-21.2).

(10) A judicial insurance adjustment fee (IC 33-37-5-25).

(11) A judicial salaries fee (IC 33-37-5-26).

(12) A court administration fee (IC 33-37-5-27).

(13) A DNA sample processing fee (IC 33-37-5-26.2).

(c) The clerk shall transfer to the county auditor or city or town fiscal officer the following fees not later than thirty (30) days after they are collected:

(1) The marijuana eradication program fee (IC 33-37-5-7).

(2) The alcohol and drug services program user fee (IC 33-37-5-8(b)).

(3) The law enforcement continuing education program fee (IC 33-37-5-8(c)).

The auditor or fiscal officer shall deposit the fees in the appropriate user fee fund established under IC 33-37-8.

SECTION 14. IC 33-37-4-4, AS AMENDED BY P.L.176-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) The clerk shall collect a civil costs fee of one hundred **one** dollars ~~($100)~~ **($101)** from a party filing a civil action. This subsection does not apply to the following civil actions:

(1) Proceedings to enforce a statute defining an infraction under IC 34-28-5 (or IC 34-4-32 before its repeal).

(2) Proceedings to enforce an ordinance under IC 34-28-5 (or IC 34-4-32 before its repeal).

(3) Proceedings in juvenile court under IC 31-34 or IC 31-37.

(4) Proceedings in paternity under IC 31-14.

(5) Proceedings in small claims court under IC 33-34.

(6) Proceedings in actions described in section 7 of this chapter.

(b) In addition to the civil costs fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:

(1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).

(2) A support and maintenance fee (IC 33-37-5-6).

(3) A document storage fee (IC 33-37-5-20).

(4) An automated record keeping fee (IC 33-37-5-21).

(5) A public defense administration fee (IC 33-37-5-21.2).

(6) A judicial insurance adjustment fee (IC 33-37-5-25).

(7) A judicial salaries fee (IC 33-37-5-26).

(8) A court administration fee (IC 33-37-5-27).

(9) A service fee (IC 33-37-5-28).

SECTION 15. IC 33-37-4-5, AS AMENDED BY P.L.2-2005, SECTION 104, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. (a) For each small claims action the clerk shall collect from the party filing the action a small claims costs fee of ~~thirty-five~~ **thirty-six** dollars ~~($35).~~ **($36).** However, a clerk may not collect a small claims costs fee for a small claims action filed by or on behalf of the attorney general.

(b) In addition to a small claims costs fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:

(1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).

(2) A document storage fee (IC 33-37-5-20).

(3) An automated record keeping fee (IC 33-37-5-21).

(4) A judicial administration fee (IC 33-37-5-21.2).

(5) A judicial insurance adjustment fee (IC 33-37-5-25).

(c) This section expires July 1, 2005.

SECTION 16. IC 33-37-4-6, AS AMENDED BY P.L.176-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. (a) For each small claims action, the clerk shall collect the following fees:

(1) From the party filing the action:

(A) a small claims costs fee of ~~thirty-five~~ **thirty-six** dollars ~~($35),~~ **($36);** and

(B) a small claims service fee of ten dollars ($10) for each named defendant.

(2) From any party adding a defendant, a small claims service fee of ten dollars ($10) for each defendant added in the action.

However, a clerk may not collect a small claims costs fee or small claims service fee for a small claims action filed by or on behalf of the attorney general.

(b) In addition to a small claims costs fee and small claims service fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:

(1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).

(2) A document storage fee (IC 33-37-5-20).

(3) An automated record keeping fee (IC 33-37-5-21).

(4) A public defense administration fee (IC 33-37-5-21.2).

(5) A judicial insurance adjustment fee (IC 33-37-5-25).

(6) A judicial salaries fee (IC 33-37-5-26).

(7) A court administration fee (IC 33-37-5-27).

SECTION 17. IC 33-37-4-7, AS AMENDED BY P.L.176-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7. (a) Except as provided under subsection (c), the clerk shall collect from the party filing the action a probate costs fee of one hundred ~~twenty~~ **twenty-one** dollars ~~($120)~~ **($121)** for each action filed under any of the following:

(1) IC 6-4.1-5 (determination of inheritance tax).

(2) IC 29 (probate).

(3) IC 30 (trusts and fiduciaries).

(b) In addition to the probate costs fee collected under subsection (a), the clerk shall collect from the party filing the action the following fees, if they are required under IC 33-37-5:

(1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).

(2) A document storage fee (IC 33-37-5-20).

(3) An automated record keeping fee (IC 33-37-5-21).

(4) A public defense administration fee (IC 33-37-5-21.2).

(5) A judicial insurance adjustment fee (IC 33-37-5-25).

(6) A judicial salaries fee (IC 33-37-5-26).

(7) A court administration fee (IC 33-37-5-27).

(c) A clerk may not collect a court costs fee for the filing of the following exempted actions:

(1) Petition to open a safety deposit box.

(2) Filing an inheritance tax return, unless proceedings other than the court's approval of the return become necessary.

(3) Offering a will for probate under IC 29-1-7, unless proceedings other than admitting the will to probate become necessary.".

Page 11, between lines 36 and 37, begin a new paragraph and insert:

"SECTION 21. [EFFECTIVE UPON PASSAGE] **(a) The thirty-third and thirty-fourth judges of the Marion superior court added by IC 33-33-49-6, as amended by this act, shall be elected at the general election on November 7, 2006, for terms beginning January 1, 2007, and ending December 31, 2012. At the**

primary election held in 2006, a political party may nominate not more than nine (9) candidates for judge of the court. A political party may nominate one (1) additional candidate to be elected judge of the court at the 2006 general election using the candidate vacancy provisions under IC 3-13-1 for a total of not more than ten (10) candidates for judge of the court. Other candidates may qualify under IC 3-8-6 to be voted on at the general election. The candidates shall be voted on at the general election. At the 2006 general election, persons eligible to vote at the general election may vote for nineteen (19) candidates for judge of the court.

(b) The thirty-fifth and thirty-sixth judges of the Marion superior court added by IC 33-33-49-6, as amended by this act, shall be elected at the general election on November 4, 2008, for terms beginning January 1, 2009, and ending December 31, 2014. At the primary election held in 2008, a political party may nominate not more than nine (9) candidates for judge of the court. Other candidates may qualify under IC 3-8-6 to be voted on at the general election. The candidates shall be voted on at the general election. At the 2008 general election, persons eligible to vote at the general election may vote for seventeen (17) candidates for judge of the court.

(c) This act may not be construed to affect the term of any judge serving on the Marion superior court on the effective date of this act.

(d) This SECTION expires January 2, 2015.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1156 as printed January 18, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 16, nays 3.

ESPICH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1212, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 36-9-25-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A department of public sanitation is established as an executive department of the municipality. **However, in the case of a district described in subsection (b)(2), the department is established as an executive department of each municipality in the district.**

(b) The department is under the control of a board of sanitary commissioners, which is composed as follows:

(1) If the department is established under section 1(a) of this chapter, the board consists of not less than three (3) but not more than five (5) commissioners. All of the commissioners shall be appointed by the municipal executive, unless one (1) commissioner is the municipal engineer. Not more than two (2) of the commissioners may be of the same political party, unless the board consists of five (5) commissioners, in which case not more than three (3) may be of the same political party.

(2) Notwithstanding subdivision (1), if the department is established under section 1(a) of this chapter and the district contains at least one (1) city having a population of less than one hundred thousand (100,000) and at least one (1) town, the board consists of one (1) commissioner from each municipality in the district. The executive of each of those municipalities shall appoint one (1) commissioner. If after all appointments are made the board has fewer than five (5) commissioners, the executive of the municipality with the largest population shall appoint the number of additional commissioners needed to bring the total to five (5). Not more than three (3) of the commissioners may be of the same political party.

(3) If the department is established under section 1(b) of this chapter, the board consists of three (3) commissioners. Two (2) commissioners shall be appointed by the city executive and one (1) commissioner is the city civil engineer. However, if the department is located in a county having a population of:

(A) more than one hundred five thousand (105,000) but less than one hundred ten thousand (110,000);

(B) more than one hundred ten thousand (110,000) but less than one hundred fifteen thousand (115,000);

(C) more than one hundred forty-eight thousand (148,000) but less than one hundred seventy thousand (170,000); or

(D) more than one hundred thirty thousand (130,000) but less than one hundred forty-five thousand (145,000);

and the city does not have a city civil engineer, the third commissioner shall also be appointed by the executive. The third commissioner, however, must be a licensed engineer with at least five (5) years experience in civil or sanitary engineering. In addition, in such a city the commissioners may not hold another public office. Not more than two (2) of the commissioners may be of the same political party.

(c) Before beginning the commissioner's duties, each commissioner shall take and subscribe the usual oath of office. The oath shall be endorsed upon the certificate of appointment and filed with the municipal clerk.

(d) Each commissioner shall also execute a bond in the penal sum of five thousand dollars ($5,000) payable to the state and conditioned upon the faithful performance of the commissioner's duties and the faithful accounting for all money and property that comes under the commissioner's control. The bond must be approved by the municipal executive.

(e) The appointed commissioners are entitled to a salary of not less than three thousand six hundred dollars ($3,600) a year during actual construction and not less than six hundred dollars ($600) a year in other years.

(f) Notwithstanding IC 36-1-8-10, whenever this section requires that the membership of the board of sanitary commissioners not exceed a stated number of members from the same political party, at the time of appointment the appointee must:

(1) have voted in the two (2) most recent primary elections held by the party with which the appointee claims affiliation; or

(2) if the appointee did not vote in the two (2) most recent primary elections or only voted in one (1) of those elections, be certified as a member of the party with which the appointee claims affiliation by that party's county chairman for the county in which the appointee resides.

SECTION 2. IC 36-9-25-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. In performing its duties the board may do the following:

(1) If needed for sewage works, condemn, appropriate, lease, rent, purchase, and hold any real or personal property within the district or within five (5) miles outside the boundaries of the district.

(2) Enter upon any lots or lands for the purpose of surveying or examining them to determine the location of any sewage works or other structures, roads, levees, or walls connected with or necessary for the use or operation of the facilities.

(3) Design, order, contract for, construct, reconstruct, and maintain the sewage works.

(4) Build or have built all roads, levees, walls, other structures, or lagoons that may be desirable in connection with sewage works and make improvements to the grounds and premises under its control, including the erection and operation of a plant for the removal of sand and gravel from the grounds.

(5) Compel the owners, operators, or lessees of all factories, shops, works, plants, or other structures to treat, purify, or eliminate from the sewage and trade waste of the premises any ingredients that interfere with the successful operation of the sewage works. It may compel the owners, operators, or lessees of the premises located on a watercourse to direct an excessive flow of water into the watercourse.

(6) Review and approve plans for privately constructed plants for the treatment or elimination of trade waste. This is to insure that an owner, operator, or lessee of a house, factory, shop, works, plant, or other structure that may be directly or indirectly connected with sewers emptying into the sewage works does not construct a purification plant, machine, or other device for eliminating or treating the trade waste from those places for the purpose of eliminating ingredients that would harm the sewage

works until the plans have been submitted to and approved by the board. After plans have been submitted to the board, it may reject them in their entirety or order changes to be made that include its supervision and regulation of the operation. An appeal may be taken from the decision of the board rejecting the plans submitted or ordering changes by the owner, operator, or lessee of a proposed private plant, in the same manner as appeals from the works board as far as applicable.

(7) Build or have built a plant or plants and all appurtenances for the treatment of sludge, pressing of sludge, or converting sludge into marketable fertilizer.

(8) Sell any byproduct from the sewage works, or furnish any byproduct free for the use of the municipality or for other public uses, with revenue derived from the sale above the amount needed for maintenance to be paid into the sanitary district bond fund, or if no bonds are outstanding, to revert to its general fund.

(9) Compel the owners, lessees, or agents in possession of lots or land from which sewers discharge sewage or drainage and pollute a watercourse or body of water or constitute a menace to public health and welfare to connect the sewers with drains leading directly or indirectly into sewage works regulating the use and assessing reasonable charges.

(10) Construct or have constructed regulating devices at the junction of combined sewers with intercepting sewers to regulate the discharge into the intercepting and connecting sewers to prevent the pollution of streams or bodies of water or a menace to the public health and welfare.

(11) Construct, **add to, reconstruct, or maintain** an incinerating or reduction plant or other plants for the conversion, destruction, or disposal of garbage, filth, ashes, dirt, and rubbish. ~~and add to, reconstruct, and maintain it. It~~ **The board** may operate the plant in connection with sewage works, and sell any byproducts derived from the garbage, filth, ashes, or rubbish, including sand and gravel taken from lands under the control of the board at prices that are determined by the board, or furnish it free to the municipality or for other public uses, with revenue derived above the amount needed for maintenance to be paid into the sanitary district bond fund, or if no bonds are outstanding, to revert to its general fund.

(12) Take charge of all real property, belonging to the municipality and under the control of the works board, suitably located for sewage works if the board demands the works board, subject to contracts, to relinquish and transfer control of real and personal property used by the works board for the collection and removal of garbage and ashes. The transfer of personal property must be made by resolution adopted by the works board describing the property, with a copy of the resolution to be delivered to the board and made a matter of record in the minutes of the proceedings of the board.

(13) Collect and remove, or contract for the collection and removal of, all garbage, ashes, dead animals, refuse, and wastes from domestic premises, and construct or have constructed stations, including barns, garages, sheds, blacksmith shops, dumps, incinerators, and all other useful or necessary improvements for this purpose. This includes the power to collect and remove soil and other sewage in areas not provided with sewers, and then to discharge or dispose of it into sewage works.

(14) Enter into contracts in the name of the municipality, with the approval of the executive as provided by law. **However, in the case of a district described in section 3(b)(2) of this chapter, the board may enter into contracts in the name of:**

(A) a municipality in the district, with the approval of the executive of the municipality; or

(B) the district, with the approval of the board.

(15) Employ and pay for all engineering, architectural, legal, and other professional services needed in carrying out this chapter, including determining the number, prescribing the duties, and fixing the compensation for all its engineers, chemists, attorneys, bacteriologists, surveyors, inspectors, clerks, stenographers, laborers, supervisors, and other employees as provided by law for other executive departments of the municipality.

(16) Adopt resolutions, rules, and bylaws that are necessary to carry out this chapter, including repealing or amending them consistent with this chapter.

(17) Prepare a schedule of reasonable service fees and collect them from persons who own, lease, or possess or control as tenants or as agents lots or lands located outside the boundaries of the district if the lots or lands are benefited by connection into the sanitary sewer system of the district as described in this chapter, with the proceeds from sewage connections and treatment service credited to the general fund of the district for general use and maintenance purposes. The fees may be fixed, repealed, or amended, or the service discontinued, by the board at its discretion.

(18) Sue or be sued in the name of the municipality, with payment for obligations and of a judgment against the municipality in an action to be made solely from funds of the department and its district that may be available for this purpose. **In the case of a district described in section 3(b)(2) of this chapter, the board may sue or be sued in the name of any municipality in the district or in the name of the district. If a judgment is entered against a municipality in the district, payment of obligations and the judgment shall be made solely from available funds of the department or the district.**

(19) Pay for services rendered or for any other obligations incurred by the board while executing its powers, or pay any judgments, including interest and costs, by issuing and selling the bonds of the district, or obtaining temporary loans or levying taxes as authorized by this or other statutes for any other purpose.

(20) Lease, rent, purchase, and hold real or personal property more than five (5) miles outside the boundaries of the district if the property is needed:

(A) to store sludge;

(B) to convert sludge into marketable fertilizer; or

(C) by the district to conduct activities that are related to activities described in clause (A) or (B).

SECTION 3. IC 36-9-25-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) In connection with its duties, the board may fix fees for the treatment and disposal of sewage and other waste discharged into the sewerage system, collect the fees, and establish and enforce rules governing the furnishing of and payment for sewage treatment and disposal service. The fees must be just and equitable and shall be paid by any user of the sewage works and the owner of every lot, parcel of real property, or building that is connected with and uses the sewage works of the district by or through any part of the sewerage system. This section applies to owners of property that is partially or wholly exempt from taxation, as well as owners of property subject to full taxation.

(b) The board may change fees from time to time. The fees, together with the taxes levied under this chapter, must at all times be sufficient to produce revenues sufficient to pay operation, maintenance, and administrative expenses, to pay the principal and interest on bonds as they become due and payable, and to provide money for the revolving fund authorized by this chapter.

(c) Fees may not be established until a public hearing has been held at which all the users of the sewage works and owners of property served or to be served by the works, including interested parties, have had an opportunity to be heard concerning the proposed fees. After introduction of the resolution fixing fees, and before they are finally adopted, notice of the hearing setting forth the proposed schedule of fees shall be given by publication in accordance with IC 5-3-1. After the hearing the resolution establishing fees, either as originally introduced or as amended, shall be passed and put into effect. However, fees related to property that is subject to full taxation do not take effect until they have been approved by ordinance of the municipal legislative body **or, in the case of a district described in section 3(b)(2) of this chapter, under section 11.3 of this chapter.**

(d) A copy of the schedule of the fees shall be kept on file in the office of the board and must be open to inspection by all interested parties. The fees established for any class of users or property served shall be extended to cover any additional premises thereafter served

that fall within the same class, without the necessity of hearing or notice.

(e) A change of fees may be made in the same manner as fees were originally established. However, if a change is made substantially pro rata for all classes of service, hearing or notice is not required, but approval of the change by ordinance of the municipal legislative body is required, **and, in the case of a district described in section 3(b)(2) of this chapter, approval under section 11.3 of this chapter is required.**

(f) If a fee established is not paid within thirty (30) days after it is due, the amount, together with a penalty of ten percent (10%) and a reasonable attorney's fee, may be recovered by the board from the delinquent user or owner of the property served in a civil action in the name of the municipality.

(g) Fees assessed against real property under this section also constitute a lien against the property assessed. The lien attaches at the time of the filing of the notice of lien in the county recorder's office. The lien is superior to all other liens except tax liens, and shall be enforced and foreclosed in the same manner as is provided for liens under IC 36-9-23-33 and IC 36-9-23-34.

(h) ~~This subsection applies to fees due after July 1, 1988.~~ A fee assessed against real property under this section constitutes a lien against the property assessed only when the fee is delinquent for no more than three (3) years from the day after the fee is due.

(i) In addition to the penalties under subsections (f) and (g) and section 11.5 of this chapter, a delinquent user may not discharge water into the public sewers and may have the property disconnected from the public sewers.

(j) The authority to establish a user fee under this section includes fees to recover the cost of construction of sewage works from industrial users as defined and required under federal statute or rule. Any industrial users' cost recovery fees may become a lien upon the real property and shall be collected in the manner provided by law. In addition, the imposition of the fees, the use of the amounts collected, and the criteria for the fees must be consistent with the regulations of the federal Environmental Protection Agency.

SECTION 4. IC 36-9-25-11.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 11.3. (a) This section applies to a board and district created under section 3(b)(2) of this chapter.**

(b) For purposes of this section, "commission" refers to the Indiana utility regulatory commission created by IC 8-1-1-2.

(c) For purposes of this section, "fees" means fees:

(1) for the treatment and disposal of sewage and other waste discharged into the sewer system of the district; and

(2) related to property that is subject to full taxation.

(d) Fees do not take effect until the fees are:

(1) approved by the board; and

(2) either:

(A) approved in an ordinance adopted by the legislative body of each municipality in the district; or

(B) established by the commission under this section.

(e) Not earlier than thirty (30) days after fees are approved under subsection (d)(1), the board may petition the commission to establish the fees under:

(1) the procedures set forth in IC 8-1-2; and

(2) subsection (f).

(f) The commission shall observe the following requirements when establishing fees for a district:

(1) Fees must be sufficient to enable the district to furnish reasonably adequate services and facilities.

(2) Fees for a service must be nondiscriminatory, reasonable, and just and must produce sufficient revenue, together with taxes levied under this chapter, to do the following:

(A) Pay all legal and other necessary expenses incident to the operation of the utility, including the following:

(i) Maintenance costs.

(ii) Operating charges.

(iii) Upkeep.

(iv) Repairs.

(v) Depreciation.

(vi) Interest charges on bonds or other obligations, including leases.

(B) Provide a sinking fund for the liquidation of bonds or other obligations, including leases.

(C) Provide a debt service reserve for bonds or other obligations, including leases, in an amount established by the board. The amount may not exceed the maximum annual debt service on the bonds or obligations or the maximum annual lease rentals, if any.

(D) Provide adequate money for working capital.

(E) Provide adequate money for making extensions and replacements to the extent not provided for through depreciation in clause (A).

(F) Provide money for the payment of taxes that may be assessed against the district.

(3) The fees charged by the district must produce an income sufficient to maintain district property in a sound physical and financial condition to render adequate and efficient service. Fees may not be too low to meet these requirements.

(4) If the board petitions the commission under subsection (e), the fees established must produce a reasonable return on the sanitary district facilities.

(5) Fees other than fees established for a municipally owned utility taxed under IC 6-1.1-8-3 must be sufficient to compensate the municipality for taxes that would be due the municipality on the utility property located in the municipality if the property were privately owned.

(6) The commission must grant a request by the board to postpone an increase in fees until after the occurrence of a future event.

(g) The board may transfer fees in lieu of taxes established under subsection (f)(5) to the general fund of the appropriate municipality.

(h) Fees established by the commission under this section take effect to the same extent as if the fees were approved by an ordinance adopted by the legislative body of each municipality in the district.

SECTION 5. IC 36-9-25-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The board, in the name of the municipality, may bring an action to recover damages for:

(1) the breach of an agreement, express or implied, relating to the construction, management, or repair of sewage works under its control, including real property; or

(2) injury to the personal or real property used in the sanitary disposal of sewage in a municipality located within the district.

(b) The board may recover possession of property, may bring an action for the specific performance of an agreement, and may use, in the name of the municipality, any legal or equitable remedy necessary to protect and enforce the rights and perform the duties of the department.

(c) The board may establish limits on the kinds or amounts of chemicals and the strength of the waste or other substances the board considers detrimental to the sewage works. If a person discharges sewage into the sewage works that exceeds limits set by the board, the board may order the person to cease using the sewage works upon a hearing with notice. However, if evidence indicates a public health hazard is being created, the board may summarily order the person to cease without notice or hearing. Orders of the board may be enforced by bringing an action to enjoin discharges into the sewer works in any court in the county having jurisdiction to hear equity actions. A person aggrieved by an order of the board is entitled to appeal the order to the circuit or superior court of the county in which the city is located. If an order is given without notice, an appeal must be perfected within ten (10) days after receipt of the order or the right to appeal is considered waived.

(d) The board of a department in a district described in section 3(b)(2) of this chapter may bring an action in the name of:

(1) a municipality in the district with the approval of the executive of the municipality; or

(2) the district, with the approval of the board.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1212 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 0.

HINKLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1222, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 36-7-14-25.1, AS AMENDED BY P.L.185-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 25.1. (a) In addition to other methods of raising money for property acquisition or redevelopment in a redevelopment project area, and in anticipation of the special tax to be levied under section 27 of this chapter, the taxes allocated under section 39 of this chapter, or other revenues of the district, or any combination of these sources, the redevelopment commission may, by resolution and subject to subsection (p), issue the bonds of the special taxing district in the name of the unit. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

(1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;

(2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;

(3) capitalized interest permitted by this chapter and a debt service reserve for the bonds to the extent the redevelopment commission determines that a reserve is reasonably required; and

(4) expenses that the redevelopment commission is required or permitted to pay under IC 8-23-17.

(b) If the redevelopment commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, the commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable, subject to the requirements of the bond resolution for registering the bonds. The resolution authorizing the bonds must state:

(1) the denominations of the bonds;

(2) the place or places at which the bonds are payable; and

(3) the term of the bonds, which may not exceed fifty (50) years.

The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the redevelopment commission.

(d) The redevelopment commission shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds, subject to subsection (p). The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds must be executed by the appropriate officer of the unit, and attested by the municipal or county fiscal officer.

(f) The bonds are exempt from taxation for all purposes.

(g) The municipal or county fiscal officer shall give notice of the sale of the bonds by publication in accordance with IC 5-3-1. The municipal fiscal officer, or county fiscal officer or executive, shall sell the bonds to the highest bidder, but may not sell them for less than ninety-seven percent (97%) of their par value. However, bonds payable solely or in part from tax proceeds allocated under section 39(b)(2) of this chapter, or other revenues of the district may be sold at a private negotiated sale.

(h) Except as provided in subsection (i), a redevelopment commission may not issue the bonds when the total issue, including bonds already issued and to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the special taxing district, as determined under IC 36-1-15.

(i) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the redevelopment commission:

(1) from a special tax levied upon all of the property in the taxing district, as provided by section 27 of this chapter;

(2) from the tax proceeds allocated under section 39(b)(2) of this chapter;

(3) from other revenues available to the redevelopment commission; or

(4) from a combination of the methods stated in subdivisions (1) through (3).

If the bonds are payable solely from the tax proceeds allocated under section 39(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(j) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(k) All laws relating to the giving of notice of the issuance of bonds, the giving of notice of a hearing on the appropriation of the proceeds of the bonds, the right of taxpayers to appear and be heard on the proposed appropriation, and the approval of the appropriation by the department of local government finance apply to all bonds issued under this chapter that are payable from the special benefits tax levied pursuant to section 27 of this chapter or from taxes allocated under section 39 of this chapter.

(l) All laws relating to the filing of petitions requesting the issuance of bonds and the right of taxpayers to remonstrate against the issuance of bonds apply to bonds issued under this chapter, except for bonds payable solely from tax proceeds allocated under section 39(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources.

(m) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(n) Any amount remaining in the debt service reserve after all of the bonds of the issue for which the debt service reserve was established have matured shall be deposited in the allocation fund established under section 39(b)(2) of this chapter.

(o) If bonds are issued under this chapter that are payable solely or in part from revenues to the redevelopment commission from a project or projects, the redevelopment commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects, but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the redevelopment commission. The redevelopment commission may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the redevelopment commission that are payable solely from revenues of the commission shall contain a statement to that effect in the form of bond.

(p) If the total principal amount of bonds authorized by a resolution of the redevelopment commission is equal to or greater than:

(1) three million dollars ($3,000,000), **in the case of bonds other than bonds described in subdivision (2); or**

(2) one million dollars ($1,000,000), in the case of bonds:

(A) issued to finance a program for housing established under section 46 of this chapter; or

(B) otherwise payable from an allocation area established for a program for housing established under section 46 of this chapter;

the bonds may not be issued without the approval, by resolution, of the legislative body of the unit.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1222 as printed January 20, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 22, nays 1.

ESPICH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment and Labor, to which was referred House Bill 1227, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17.

Delete pages 2 through 6.

Page 7, delete lines 1 through 30.

Renumber all SECTIONS consecutively.

(Reference is to HB 1227 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

TORR, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1240, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 4, between lines 28 and 29, begin a new paragraph and insert:

"SECTION 4. [EFFECTIVE JULY 1, 2006] **(a) As used in this SECTION, "ISTEP program" refers to the ISTEP program developed under IC 20-32-5.**

(b) The budget agency, with the approval of the governor, shall transfer from the build Indiana fund to the state general fund the amount necessary for the period beginning July 1, 2006, and ending June 30, 2007, to provide for a pilot test for reliability and validation of an ISTEP program test conducted during the first two (2) weeks in May 2007 and to comply with IC 20-32-5-4(a)(2) in each year thereafter.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1240 as printed January 18, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 17, nays 7.

ESPICH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred House Bill 1281, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17.

Delete page 2.

Page 3, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 35-42-2-1.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1.3. (a) A person who knowingly or intentionally touches an individual who:

(1) is or was a spouse of the other person;

(2) is or was living as if a spouse of the other person as provided in subsection ~~(b),~~ **(c);** or

(3) has a child in common with the other person;

in a rude, insolent, or angry manner that results in bodily injury to the person described in subdivision (1), (2), or (3) commits domestic battery, a Class A misdemeanor.

(b) However, the offense **under subsection (a)** is a Class D felony if the person **who committed the offense:**

(1) has a previous, unrelated conviction:

(A) under this section (or IC 35-42-2-1(a)(2)(E) before its repeal); **or**

(B) in any other jurisdiction, including a military court, in which the elements of the crime for which the conviction was entered are substantially similar to the elements described in this section; or

(2) committed the offense in the physical presence of a child less than sixteen (16) years of age, knowing that the child was present and might be able to see or hear the offense.

~~(b)~~ **(c)** In considering whether a person is or was living as a spouse of another individual in subsection (a)(2), the court shall review the following:

(1) the duration of the relationship;

(2) the frequency of contact;

(3) the financial interdependence;

(4) whether the two (2) individuals are raising children together;

(5) whether the two (2) individuals have engaged in tasks directed toward maintaining a common household; and

(6) other factors the court considers relevant.

SECTION 2. IC 35-42-2-9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 9. (a) This section does not apply to a medical procedure.**

(b) A person who knowingly or intentionally:

(1) applies pressure to the throat or neck of another person; or

(2) obstructs the nose or mouth of the another person;

in a manner that impedes the normal breathing or the blood circulation of the other person commits strangulation, a Class D felony.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1281 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

ULMER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1312, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 7, delete "6, 7," and insert "**7**".

Page 1, line 9, delete "6;" and insert "**7;**".

Page 2, between lines 29 and 30, begin a new paragraph and insert:

"SECTION 3. IC 20-19-2-20 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 20. (a) The state board shall analyze annually state, local, and other:**

(1) statutes;

(2) rules;

(3) policies; and

(4) related requirements;

that affect school corporations and public schools to identify the statutes, rules, policies, and related requirements that restrict or inhibit the ability of school corporations and public schools to maximize the allocation of resources to, and focus efforts on, student instruction and learning, or to develop and implement innovative approaches to improving student achievement.

(b) In conducting the analysis required under subsection (a), the state board may retain the assistance the state board considers necessary, including the assistance of the following:

(1) The office of management and budget.

(2) A government efficiency commission that addresses schools.

(3) Consultants.

(c) Following the annual identification of statutes, rules, policies, and related requirements under subsection (a), the state board may take one (1) or more of the following actions:

(1) Repeal the rules, policies, or requirements that are within the authority of the state board. A repeal under this subdivision may be undertaken:

(A) at any time;

(B) following public comment; and

(C) by emergency rule.

(2) Recommend to the general assembly the repeal of statutes. The recommendations under this subdivision must

be made:

(A) annually not later than September 1; and

(B) to the executive director of the legislative services agency in an electronic format under IC 5-14-6.

(3) Report to the governor, the general assembly, and the state superintendent concerning the statutes, rules, policies, and requirements that are not within the authority of the state board or general assembly. A report under this subdivision:

(A) may be made at any time; and

(B) when made to the general assembly, must be made to the executive director of the legislative services agency in an electronic format under IC 5-14-6.".

Page 3, between lines 10 and 11, begin a new paragraph and insert:

"SECTION 6. IC 20-26-16 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]:

Chapter 16. Deregulated School Corporations

Sec. 1. The governing body of a school corporation may designate the school corporation as a deregulated school corporation that is free to focus on improving the academic achievement of the school corporation's students by using freedom from regulation to:

(1) allocate resources toward; and

(2) focus efforts on;

student instruction and learning.

Sec. 2. (a) To designate a school corporation as a deregulated school corporation that is free to focus on improving academic improvement, a governing body shall submit notice of the school corporation's intent to become a deregulated school corporation to the state board. The notice must:

(1) be in writing;

(2) attest that the governing body has voted to become a deregulated school corporation that is free to focus on improving academic achievement; and

(3) inform the state board that the school corporation will become a deregulated school corporation on the July 1 next following the date of the notice.

(b) A notice under this section is effective upon receipt by the state board.

Sec. 3. A school corporation becomes a deregulated school corporation that is free to focus on improving academic achievement on the July 1 next following the date of the governing body's notice to the state board.

Sec. 4. The following apply to a deregulated school corporation:

(1) Except as specifically provided in this chapter, the following do not apply to a deregulated school corporation:

(A) An Indiana statute applicable to a governing body or school corporation.

(B) A rule or guideline adopted by the state board.

(C) A rule or guideline adopted by the advisory board of the division of professional standards established by IC 20-28-2-2, except for those rules that assist a teacher in gaining or renewing a standard or advanced license.

(D) A local regulation or policy adopted by the governing body of the deregulated school corporation, unless the regulation or policy is specifically readopted by the governing body after the governing body has voted to become a deregulated school corporation.

(2) The school corporation and schools within the school corporation must continue to comply with the following:

(A) Applicable federal laws.

(B) The Constitution of the State of Indiana.

(C) Federal and state laws that prohibit discrimination.

(D) Bidding, wage determination, and other statutes and rules that apply to the use of public funds for the construction, reconstruction, alteration, or renovation of a public building.

(E) The following statutes:

(i) IC 5-11-1-9 (required audits by the state board of accounts).

(ii) IC 20-26-5-6 (subject to regulation by state agencies).

(iii) IC 20-26-5-10 and IC 20-28-5-9 (criminal history).

(iv) IC 20-26-6-2 (unified accounting system).

(v) IC 20-28-4 (transition to teaching).

(vi) IC 20-28-6, IC 20-28-7, IC 20-28-8, IC 20-28-9, and IC 20-28-10 (contracts with teachers and administrators, salary, and conditions of employment).

(vii) IC 20-29 (collective bargaining).

(viii) IC 20-30-2 (calendar)

(ix) IC 20-30-3-2 and IC 20-30-3-4 (patriotic and commemorative observances.)

(x) IC 20-30-5-0.5 (concerning the pledge of allegiance).

(xi) IC 20-30-5-10 (college preparation curriculum).

(xii) IC 20-30-11 (postsecondary enrollment program).

(xiii) IC 20-31 (accountability for school performance and improvement).

(xiv) IC 20-32 (student standards, assessment, and performance).

(xv) IC 20-33-2 (compulsory school attendance).

(xvi) IC 20-33-3 (limitations on employment of children).

(xvii) IC 20-33-7 (parental access to education records).

(xviii) IC 20-33-8 (student discipline).

(xix) IC 20-33-9 (reporting of student violations of law).

(xx) IC 20-34-3 (health and safety measures).

(xxi) IC 20-35 (special education).

(xxii) IC 21 (school finance).

Sec. 5. (a) A deregulated school corporation shall submit periodic reports, at the times set by the state board, to the department and state board, with the content and in formats prescribed by the state board, containing the following information:

(1) Financial information.

(2) Student performance data, including the results of all standardized testing, ISTEP program testing, and the graduation examination.

(3) A description of the educational methods and teaching methods employed.

(4) Daily attendance records.

(5) Graduation statistics, including the number of students attaining Core 40 and academic honors diplomas.

(6) Student enrollment data, including the following:

(A) The number of students enrolled in the school corporation and each school in the school corporation.

(B) The number of students suspended or expelled from schools in the school corporation, including the reasons for the suspensions or expulsions.

(C) The number of students who ceased to attend schools in the school corporation, including the reasons for the cessation.

(7) Any information necessary to comply with federal or state reporting requirements.

(8) Any other information specified by the state board.

(b) A deregulated school corporation and each school within the school corporation shall publish the annual performance report required under IC 20-20-8.

Sec. 6. (a) Before becoming a deregulated school corporation under section 3 of this chapter, a governing body may waive any statutes, rules, or policies that the governing body may waive under section 4 of this chapter.

(b) A governing body shall submit notice of the statutes, rules, or policies the governing body seeks to waive to the state board under section 2 of this chapter.

(c) Unless the state board, with the advice of the department, provides written notice to the governing body of reasons the governing body may not waive a specific statute, rule, or policy, a waiver under this section takes effect ninety (90) days after the state board receives notice of the waiver.

Sec. 7. The state board may revoke the deregulated status of a school corporation at any time if the state board determines that at least one (1) of the following has occurred:

(1) The school corporation fails to comply with applicable

laws or conditions established under this chapter.

(2) The school corporation fails to meet the educational and financial goals for the school corporation established by federal or state law, or by the state board.

(3) The school corporation fails to comply with financial management, accounting, or reporting requirements.

Sec. 8. Not later than December 31, the state board shall issue a report to the governor and the general assembly concerning the status, actions, and academic and financial results of a deregulated school corporation. A report to the general assembly must be made to the executive director of the legislative services agency in an electronic format under IC 5-14-6.".

Page 3, line 40, delete "gasoline." and insert "**fuel.**".

Page 3, between lines 40 and 41, begin a new paragraph and insert:

"SECTION 7. IC 20-28-6-2, AS ADDED BY P.L.1-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) A contract entered into by a teacher and a school corporation must:

(1) be in writing;

(2) be signed by both parties; and

(3) contain the:

(A) beginning date of the school term as determined annually by the school corporation;

(B) number of days in the school term as determined annually by the school corporation;

(C) total salary to be paid to the teacher during the school year; and

(D) number of salary payments to be made to the teacher during the school year.

(b) The contract may provide for the annual determination of the teacher's annual compensation by a local salary schedule, which is part of the contract. The salary schedule may be changed by the school corporation on or ~~before~~ **after** May 1 of a year, with the changes effective the next school year. A teacher affected by the changes shall be furnished with printed copies of the changed schedule not later than thirty (30) days after the schedule's adoption.

(c) A contract under this section is also governed by the following statutes:

(1) IC 20-28-9-1 through IC 20-28-9-6.

(2) IC 20-28-9-9 through IC 20-28-9-11.

(3) IC 20-28-9-13.

(4) IC 20-28-9-14.

(d) A governing body shall provide the blank contract forms, carefully worded by the state superintendent, and have them signed. The contracts are public records open to inspection by the residents of each school corporation.

(e) An action may be brought on a contract that conforms with subsections (a)(1), (a)(2), and (d).

SECTION 5. IC 20-28-7-9, AS ADDED BY P.L.1-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. Before a teacher is refused continuation of the contract under section 8 of this chapter, the teacher has the following rights, which shall be strictly construed:

(1) The principal of the school at which the teacher teaches must provide the teacher with an annual written evaluation of the teacher's performance before January 1 of each year. Upon the request of a nonpermanent teacher, delivered in writing to the principal not later than thirty (30) days after the teacher receives the evaluation required by this section, the principal shall provide the teacher with an additional written evaluation.

(2) On or before ~~May 1,~~ **June 1,** the school corporation shall notify the teacher that the governing body will consider nonrenewal of the contract for the next school term. The notification must be:

(A) written; and

(B) delivered in person or mailed by registered or certified mail to the teacher at the teacher's last known address.

(3) Upon the request of the teacher, and not later than fifteen (15) days after the teacher's receipt of the notice of the consideration of contract nonrenewal, the governing body or the superintendent of the school corporation shall provide the teacher with a written statement, which:

(A) may be developed in an executive session; and

(B) is not a public document;

giving the reasons for the nonrenewal of the teacher's contract.".

Page 4, between lines 41 and 42, begin a new paragraph and insert:

"SECTION 7. IC 20-28-8-6, AS ADDED BY P.L.1-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. A contract entered into by a governing body and its superintendent is subject to the following conditions:

(1) The basic contract must be in the form of the regular teacher's contract.

(2) The **initial** contract must be for a term of at least thirty-six (36) months. **However, a subsequent contract may be for a term of any duration.**

(3) The contract may be altered or rescinded for a new one at any time by mutual consent of the governing body and the superintendent. The consent of both parties must be in writing and must be expressed in a manner consistent with this section and sections 7 through 8 of this chapter.

(4) The rights of a superintendent as a teacher under any other law are not affected by the contract.".

Page 10, reset in roman lines 8 through 10.

Page 10, line 12, reset in roman "(3)".

Page 10, line 12, delete "(2)".

Page 10, line 17, strike "1993." and insert "**2006.**".

Page 11, line 9, delete "fifty".

Page 11, line 9, delete "($150,000)" and insert "(**$100,000)**".

Page 13, line 26, delete "or license".

Page 13, line 27, delete "certificate or".

Page 13, line 27, delete "by a professional" and insert "**under IC 25-23;**".

Page 13, delete line 28.

Page 13, line 29, delete "serves" and insert "**services**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1312 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 6, nays 5.

BEHNING, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1332, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17.

Delete pages 2 through 3.

Page 4, delete lines 1 through 20.

Page 4, line 36, delete "four".

Page 4, line 36, strike "million dollars".

Page 4, line 36, delete "($4,000,000)" and insert "**the following amounts**".

Page 4, line 37, delete "." and insert ":".

Page 4, between lines 37 and 38, begin a new line block indented and insert:

"**(1) One million dollars ($1,000,000) in the case of a taxpayer who produces less than thirty million (30,000,000) gallons of biodiesel in a taxable year.**

(2) Two million dollars ($2,000,000) in the case of a taxpayer who produces at least thirty million (30,000,000) but less than sixty million (60,000,000) gallons of biodiesel in a taxable year.

(3) Three million dollars ($3,000,000) in the case of a taxpayer who produces at least sixty million (60,000,000) gallons of biodiesel in a taxable year.".

Page 4, strike lines 38 through 41.

Page 4, line 42, delete "twenty".

Page 4, line 42, strike "million dollars".

Page 4, line 42, delete "($20,000,000)".

Page 4, line 42, strike "for all taxable".

Page 5, strike lines 1 through 2.

Page 5, line 18, delete "four".

Page 5, line 18, strike "million dollars".

Page 5, line 19, delete "($4,000,000)" and insert "**the following amounts**".

Page 5, line 19, delete "." and insert ":".

Page 5, line 19, delete "However, the total amount of".

Page 5, delete lines 20 through 25, begin a new line block indented and insert:

"**(1) One million dollars ($1,000,000) in the case of a taxpayer who produces less than thirty million (30,000,000) gallons of blended biodiesel in a taxable year.**

(2) Two million dollars ($2,000,000) in the case of a taxpayer who produces at least thirty million (30,000,000) but less than sixty million (60,000,000) gallons of blended biodiesel in a taxable year.

(3) Three million dollars ($3,000,000) in the case of a taxpayer who produces at least sixty million (60,000,000) gallons of blended biodiesel in a taxable year.".

Page 5, delete lines 38 through 42, begin a new paragraph and insert:

"SECTION 4. IC 6-3.1-28-11, AS AMENDED BY P.L.191-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006 (RETROACTIVE)]: Sec. 11. ~~(a)~~ The total amount of credits allowed a taxpayer (or, if the person producing the ethanol is a pass through entity, the shareholders, partners, or members of the pass through entity) under this chapter may not exceed a total of ~~three million dollars ($3,000,000)~~ **the following amounts** for all taxable years:

(1) Two million dollars ($2,000,000) in the case of a taxpayer who produces at least forty million (40,000,000) but less than sixty million (60,000,000) gallons of ethanol in a taxable year.

(2) Three million dollars ($3,000,000) in the case of a taxpayer who produces at least sixty million (60,000,000) gallons of ethanol in a taxable year.

~~(b) Notwithstanding subsection (a), the total amount of credits allowed a taxpayer (or if the person producing ethanol is a pass through entity, the shareholders, partners, or members of the pass through entity) may be increased to an amount not to exceed a total of five million dollars ($5,000,000) for all taxable years with the prior approval of the Indiana economic development corporation.~~".

Delete pages 6 through 20.

Page 21, delete lines 1 through 12.

Page 21, line 13, delete "(c)" and insert "SECTION 5. [EFFECTIVE JANUARY 1, 2006 (RETROACTIVE)]".

Page 21, line 13, delete ", IC 6-3.1-28, and IC 6-3.1-29, all" and insert "**and IC 6-3.1-28, both**".

Page 21, delete lines 15 through 20.

Renumber all SECTIONS consecutively.

(Reference is to HB 1332 as printed January 20, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 23, nays 0.

ESPICH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1338, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 20-24-8-5, AS ADDED BY P.L.1-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. The following statutes and rules and guidelines adopted under the following statutes apply to a charter school:

(1) IC 5-11-1-9 (required audits by the state board of accounts).

(2) IC 20-26-6-2 (unified accounting system).

(3) IC 20-35 (special education).

(4) IC 20-26-5-10 and IC 20-28-5-9 (criminal history).

(5) IC 20-26-5-6 (subject to laws requiring regulation by state agencies).

(6) IC 20-28-7-14 (void teacher contract when two (2) contracts are signed).

(7) IC 20-28-10-12 (nondiscrimination for teacher marital status).

(8) IC 20-28-10-14 (teacher freedom of association).

(9) IC 20-28-10-17 (school counselor immunity).

(10) For conversion charter schools only, IC 20-28-6, IC 20-28-7, IC 20-28-8, IC 20-28-9, and IC 20-28-10.

(11) IC 20-33-2 (compulsory school attendance).

(12) IC 20-33-3 (limitations on employment of children).

(13) IC 20-33-8-19, IC 20-33-8-21, and IC 20-33-8-22 (student due process and judicial review).

(14) IC 20-33-8-16 (firearms and deadly weapons).

(15) IC 20-34-3 (health and safety measures).

(16) IC 20-33-9 (reporting of student violations of law).

(17) IC 20-30-3-2 and IC 20-30-3-4 (patriotic commemorative observances).

(18) IC 20-31-3, IC 20-32-4, IC 20-32-5, IC 20-32-6, IC 20-32-8, or any other statute, rule, or guideline related to standardized testing (assessment programs, including remediation under the assessment programs).

(19) IC 20-33-7 (parental access to education records).

(20) IC 20-31 (accountability for school performance and improvement).

(21) IC 20-34-5 (employees trained in the Heimlich maneuver).

SECTION 2. IC 20-28-5-13, AS ADDED BY P.L.1-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 13. (a) This section applies to an examination required for teacher licensure under this chapter.

(b) If an individual does not demonstrate the level of proficiency required to receive a license on all or a part of an examination, the examination's scorer must provide the individual with the individual's test scores, including subscores for each area tested.

(c) This subsection applies only to an individual who has taken the examination described in subsection (a) at least two (2) times and has failed to demonstrate proficiency in a test area by not more than two (2) points. An individual may demonstrate proficiency in a test area by having the teacher education school or department in which the individual is or was a student certify to the department that, based on the individual's course work, grades, fieldwork, and student teaching and on evaluations by the individual's instructors, the individual possesses the content knowledge required by the written examination.".

Page 2, delete line 13, begin a new line double block indented and insert:

"**(A) Minority groups (as defined in IC 4-13-16.5-1).**".

Page 2, line 21, delete "the following awards:" and insert "**a performance award in the amount determined by the department.**

Sec. 6. An award granted under this chapter may be used for any combination of the following purposes:

(1) Grants to certificated employees (as defined in IC 20-29-2-4) for professional development.

(2) School programs to increase parental involvement.

(3) Enhanced curriculum or instruction, or both.

Sec. 7. The principal of the school receiving an award under this chapter shall determine the manner in which the award is to be used after consulting a school improvement committee established under IC 20-31-5-1.

SECTION 4. IC 20-34-5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]:

Chapter 5. Employees Trained in Heimlich Maneuver

Sec. 1. This chapter applies to a school that operates:

(1) a school lunch program (including a school lunch program under IC 20-26-9);

(2) a school breakfast program (including a school breakfast program under IC 20-26-9); or

(3) both a school lunch program and a school breakfast program.

Sec. 2. As used in this chapter, "Heimlich maneuver" means a series of abdominal thrusts to help a person who is choking.

Sec. 3. As used in this chapter, "school" includes the following:

(1) A public school.

(2) A charter school.

(3) A nonpublic school that has voluntarily become accredited under IC 20-19-2-10.

Sec. 4. As used in this chapter, "student" means a person enrolled in a school.

Sec. 5. A school shall require at least one (1) employee who has:

(1) received instruction approved by the department in methods to provide first aid to a person who is choking; and

(2) demonstrated through training approved by the department an ability to perform the Heimlich maneuver or a similar procedure used to expel an obstruction from the throat;

to be present while students are being served food.

Sec. 6. A school or an employee of a school is immune from civil liability for an act or omission concerning:

(1) performing duties required under section 5 of this chapter; or

(2) providing or failing to provide first aid to a person who is choking;

unless the act or omission amounts to gross negligence or willful misconduct.

Sec. 7. The department shall adopt rules under IC 4-22-2 to implement this chapter.

SECTION 5. IC 34-30-2-87.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 87.5. IC 20-34-5-6 (Concerning the presence at school of staff trained in the Heimlich maneuver and the provision or failure to provide first aid at school).**

SECTION 6. IC 20-31-11-6 IS REPEALED [EFFECTIVE JULY 1, 2006].

SECTION 7. [EFFECTIVE JULY 1, 2006] **(a) Before October 1, 2006, the department of education shall submit to the education roundtable for the roundtable's review and approval guidelines concerning the following requirements for initial teacher licensure:**

(1) Standards.

(2) Examinations.

(3) Course work.

(4) Grades.

(5) Student teaching.

(6) Mentoring.

(b) This SECTION expires July 1, 2007.".

Page 2, delete lines 22 through 42.

Delete page 3.

(Reference is to HB 1338 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

BEHNING, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1402, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-3.5-1.1-2.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006 (RETROACTIVE)]: Sec. 2.8. (a) This section applies to:

(1) a county having a population of more than one hundred eighty-two thousand seven hundred ninety (182,790) but less than two hundred thousand (200,000); ~~and~~

(2) a county having a population of more than forty-five thousand (45,000) but less than forty-five thousand nine hundred (45,900); **and**

(3) Jasper County.

(b) **Except as provided in subsection (h),** the county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to:

(1) finance, construct, acquire, improve, renovate, ~~or~~ equip, **operate, or maintain:**

(A) jail facilities;

(B) juvenile court, detention, and probation facilities;

(C) other criminal justice facilities; and

(D) related buildings and parking facilities;

located in the county, including costs related to the demolition of existing buildings and the acquisition of land; and

(2) repay bonds issued or leases entered into for the purposes described in subdivision (1).

(c) In addition to the rates permitted by section 2 of this chapter, the county council may impose the county adjusted gross income tax at a rate of:

(1) fifteen-hundredths percent (0.15%);

(2) two-tenths percent (0.2%); or

(3) twenty-five hundredths percent (0.25%);

on the adjusted gross income of county taxpayers if the county council makes the finding and determination set forth in subsection (b). The tax imposed under this section may be imposed only until the later of the date on which the financing, construction, acquisition, improvement, renovation, and equipping described in subsection (b) are completed or the date on which the last of any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (b) are fully paid. The term of the bonds issued (including any refunding bonds) or a lease entered into under subsection (b)(2) may not exceed twenty (20) years.

(d) If the county council makes a determination under subsection (b), the county council may adopt a tax rate under subsection (c). The tax rate may not be imposed at a rate greater than is necessary to pay the costs of carrying out the purposes described in subsection (b)(1).

(e) The county treasurer shall establish a criminal justice facilities revenue fund to be used only for purposes described in this section. County adjusted gross income tax revenues derived from the tax rate imposed under this section shall be deposited in the criminal justice facilities revenue fund before making a certified distribution under section 11 of this chapter.

(f) County adjusted gross income tax revenues derived from the tax rate imposed under this section:

(1) may be used only for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued or leases entered into for any or all the purposes described in subsection (b).

(g) Notwithstanding any other law, funds accumulated from the county adjusted gross income tax imposed under this section after:

(1) the completion of the financing, construction, acquisition, improvement, renovation, ~~and~~ equipping, **operation, and maintenance** described in subsection (b);

(2) the payment or provision for payment of all the costs for activities described in subdivision (1);

(3) the redemption of bonds issued; and

(4) the final payment of lease rentals due under a lease entered into under this section;

shall be transferred to the county highway fund to be used for construction, resurfacing, restoration, and rehabilitation of county highways, roads, and bridges.

(h) In Jasper County, the additional county adjusted gross income tax revenue may be used only to operate or maintain:

(1) jail facilities;

(2) juvenile court, detention, and probation facilities;

(3) other criminal justice facilities; and

(4) related buildings and parking facilities;

located in the county.

SECTION 2. IC 6-3.5-1.1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006 (RETROACTIVE)]: Sec. 10. (a) Except as provided in subsection (b), one-half (½) of each adopting county's certified distribution for a calendar year shall be distributed from its account established under section 8 of this chapter to the appropriate county treasurer on May 1 and the other one-half

(½) on November 1 of that calendar year.

(b) This subsection applies to a county having a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000). Notwithstanding section 9 of this chapter, the initial certified distribution certified for a county under section 9 of this chapter shall be distributed to the county treasurer from the account established for the county under section 8 of this chapter according to the following schedule during the eighteen (18) month period beginning on July 1 of the year in which the county initially adopts an ordinance under section 2 of this chapter:

(1) One-fourth (1/4) on October 1 of the year in which the ordinance was adopted.

(2) One-fourth (1/4) on January 1 of the calendar year following the year in which the ordinance was adopted.

(3) One-fourth (1/4) on May 1 of the calendar year following the year in which the ordinance was adopted.

(4) One-fourth (1/4) on November 1 of the calendar year following the year in which the ordinance was adopted.

Notwithstanding section 11 of this chapter, the part of the certified distribution received under subdivision (1) that would otherwise be allocated to a civil taxing unit or school corporation as property tax replacement credits under section 11 of this chapter shall be set aside and treated for the calendar year when received by the civil taxing unit or school corporation as a levy excess subject to IC 6-1.1-18.5-17 or IC 6-1.1-19-1.7. Certified distributions made to the county treasurer for calendar years following the eighteen (18) month period described in this subsection shall be made as provided in subsection (a).

(c) Except for:

(1) revenue that must be used to pay the costs of operating a jail and juvenile detention center under section 2.5(d) of this chapter;

(2) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, ~~or~~ equipping, **operating, or maintaining** facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.8 of this chapter;

(3) revenue that must be used to pay the costs of construction, improvement, renovation, or remodeling of a jail and related buildings and parking structures under section 2.7, 2.9, or 3.3 of this chapter;

(4) revenue that must be used to pay the costs of operating and maintaining a jail and justice center under section 3.5(d) of this chapter; or

(5) revenue that must be used to pay the costs of constructing, acquiring, improving, renovating, or equipping a county courthouse under section 3.6 of this chapter;

distributions made to a county treasurer under subsections (a) and (b) shall be treated as though they were property taxes that were due and payable during that same calendar year. Except as provided by subsection (b), the certified distribution shall be distributed and used by the taxing units and school corporations as provided in sections 11 through 15 of this chapter.

(d) All distributions from an account established under section 8 of this chapter shall be made by warrants issued by the auditor of the state to the treasurer of the state ordering the appropriate payments.

SECTION 3. IC 6-3.5-1.1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006 (RETROACTIVE)]: Sec. 11. (a) Except for:

(1) revenue that must be used to pay the costs of operating a jail and juvenile detention center under section 2.5(d) of this chapter;

(2) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, ~~or~~ equipping, **operating, or maintaining** facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.8 of this chapter;

(3) revenue that must be used to pay the costs of construction, improvement, renovation, or remodeling of a jail and related buildings and parking structures under section 2.7, 2.9, or 3.3 of this chapter;

(4) revenue that must be used to pay the costs of operating and maintaining a jail and justice center under section 3.5(d) of this chapter; or

(5) revenue that must be used to pay the costs of constructing, acquiring, improving, renovating, or equipping a county courthouse under section 3.6 of this chapter;

the certified distribution received by a county treasurer shall, in the manner prescribed in this section, be allocated, distributed, and used by the civil taxing units and school corporations of the county as certified shares and property tax replacement credits.

(b) Before August 10 of each calendar year, each county auditor shall determine the part of the certified distribution for the next succeeding calendar year that will be allocated as property tax replacement credits and the part that will be allocated as certified shares. The percentage of a certified distribution that will be allocated as property tax replacement credits or as certified shares depends upon the county adjusted gross income tax rate for resident county taxpayers in effect on August 1 of the calendar year that precedes the year in which the certified distribution will be received by two (2) years. The percentages are set forth in the following table:

COUNTY ADJUSTED GROSS INCOME TAX RATE	PROPERTY TAX REPLACEMENT CREDITS	CERTIFIED SHARES
0.5%	50%	50%
0.75%	33 1/3%	66 2/3%
1%	25%	75%

(c) The part of a certified distribution that constitutes property tax replacement credits shall be distributed as provided under sections 12, 13, and 14 of this chapter.

(d) The part of a certified distribution that constitutes certified shares shall be distributed as provided by section 15 of this chapter.".

Page 7, between lines 31 and 32, begin a new paragraph and insert:

"SECTION 6. IC 6-3.5-7-26, AS AMENDED BY P.L.199-2005, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 26. (a) This section applies only to homestead credits for property taxes first due and payable after calendar year 2006.

(b) ~~For purposes of~~ **The following definitions apply throughout** this section:

(1) "Adopt" includes amend.

(2) "Adopting entity" means:

~~(1)~~ **(A)** the entity that adopts an ordinance under IC 6-1.1-12-41(f); or

~~(2)~~ **(B)** any other entity that may impose a county economic development income tax under section 5 of this chapter.

(3) "Homestead" refers to tangible property that is eligible for a homestead credit under IC 6-1.1-20.9.

(4) "Residential" refers to real property, mobile homes, and industrialized housing classified under the standards specified by the department of local government finance as used for a residential purpose, including tangible property that would qualify as a homestead if the taxpayer had filed for a homestead credit under IC 6-1.1-20.9 and rental residential property.

(c) An adopting entity may adopt an ordinance to provide for the use of the certified distribution described in section 16(c) of this chapter for the purpose provided in subsection (e). An adopting entity that adopts an ordinance under this subsection shall use the procedures set forth in IC 6-3.5-6 concerning the adoption of an ordinance for the imposition of the county option income tax. An ordinance must be adopted under this subsection after January 1 but before April 1 of a calendar year. The ordinance may provide for an additional rate under section 5(p) of this chapter. An ordinance adopted under this subsection:

(1) first applies to the certified distribution described in section 16(c) of this chapter made in the later of the calendar year that immediately succeeds the calendar year in which the ordinance is adopted or calendar year 2007; and

(2) must specify that the certified distribution must be used to provide for **one (1) of the following, as determined by the adopting entity:**

(A) Uniformly applied increased homestead credits as provided in subsection (f). ~~or~~

(B) Uniformly applied increased residential credits as provided in subsection (g).

~~(B)~~ **(C)** Allocated increased homestead credits as provided in subsection ~~(h).~~ **(i).**

(D) Allocated increased residential credits as provided in subsection (j).

An ordinance adopted under this subsection may be combined with an ordinance adopted under section 25 of this chapter.

(d) If an ordinance is adopted under subsection (c), the percentage of the certified distribution specified in the ordinance for use for the purpose provided in subsection (e) shall be:

(1) retained by the county auditor under subsection ~~(i);~~ **(k);** and

(2) used for the purpose provided in subsection (e) instead of the purposes specified in the capital improvement plans adopted under section 15 of this chapter.

(e) If an ordinance is adopted under subsection (c), the adopting entity shall use the certified distribution described in section 16(c) of this chapter to increase:

(1) if the ordinance grants a credit described in subsection (c)(2)(A) or (c)(2)C), the homestead credit allowed in the county under IC 6-1.1-20.9 for a year; **or**

(2) if the ordinance grants a credit described in subsection (c)(2)(B) or (c)(2)(D), the property tax replacement credit allowed in the county under IC 6-1.1-21-5 for a year for the residential property;

to offset the effect on homesteads **or residential property, as applicable,** in the county resulting from the statewide deduction for inventory under IC 6-1.1-12-42. **The amount of an additional residential property tax replacement credit granted under this section may not be considered in computing the amount of any homestead credit to which the residential property may be entitled under IC 6-1.1-20.9 or another law other than IC 6-1.1-20.6.**

(f) If the imposing entity specifies the application of uniform increased homestead credits under subsection (c)(2)(A), the county auditor shall, for each calendar year in which an increased homestead credit percentage is authorized under this section, determine:

(1) the amount of the certified distribution that is available to provide an increased homestead credit percentage for the year;

(2) the amount of uniformly applied homestead credits for the year in the county that equals the amount determined under subdivision (1); and

(3) the increased percentage of homestead credit that equates to the amount of homestead credits determined under subdivision (2).

(g) If the imposing entity specifies the application of uniform increased residential credits under subsection (c)(2)(B), the county auditor shall, for each calendar year in which an increased homestead credit percentage is authorized under this section, determine:

(1) the amount of the certified distribution that is available to provide an increased residential property tax replacement credit percentage for the year;

(2) the amount of uniformly applied residential property tax replacement credits for the year in the county that equals the amount determined under subdivision (1); and

(3) the increased percentage of residential property tax replacement credit that equates to the amount of residential property tax replacement credits determined under subdivision (2).

~~(g)~~ **(h)** The increased percentage of homestead credit determined by the county auditor under subsection (f) **or the increased percentage of residential property tax replacement credit determined by the county auditor under subsection (g)** applies uniformly in the county in the calendar year for which the increased percentage is determined.

~~(h)~~ **(i)** If the imposing entity specifies the application of allocated increased homestead credits under subsection ~~(c)(2)(B),~~ **(c)(2)(C),** the county auditor shall, for each calendar year in which an increased homestead credit is authorized under this section, determine:

(1) the amount of the certified distribution that is available to provide an increased homestead credit for the year; and

(2) except as provided in subsection ~~(j),~~ **(l),** an increased percentage of homestead credit for each taxing district in the county that allocates to the taxing district an amount of increased homestead credits that bears the same proportion to the amount determined under subdivision (1) that the amount of inventory assessed value deducted under IC 6-1.1-12-42 in the taxing district for the immediately preceding year's assessment date bears to the total inventory assessed value deducted under IC 6-1.1-12-42 in the county for the immediately preceding year's assessment date.

(j) If the imposing entity specifies the application of allocated increased residential property tax replacement credits under subsection (c)(2)(D), the county auditor shall, for each calendar year in which an increased residential property tax replacement credit is authorized under this section, determine:

(1) the amount of the certified distribution that is available to provide an increased residential property tax replacement credit for the year; and

(2) except as provided in subsection (l), an increased percentage of residential property tax replacement credit for each taxing district in the county that allocates to the taxing district an amount of increased residential property tax replacement credits that bears the same proportion to the amount determined under subdivision (1) that the amount of inventory assessed value deducted under IC 6-1.1-12-42 in the taxing district for the immediately preceding year's assessment date bears to the total inventory assessed value deducted under IC 6-1.1-12-42 in the county for the immediately preceding year's assessment date.

~~(i)~~ **(k)** The county auditor shall retain from the payments of the county's certified distribution an amount equal to the revenue lost, if any, due to the increase of the homestead credit **or residential property tax replacement credit** within the county. The money shall be distributed to the civil taxing units and school corporations of the county:

(1) as if the money were from property tax collections; and

(2) in such a manner that no civil taxing unit or school corporation will suffer a net revenue loss because of the allowance of an increased homestead credit **or residential property tax replacement credit.**

~~(j)~~ **(l)** Subject to the approval of the imposing entity, the county auditor may adjust the increased percentage of:

(1) homestead credit determined under subsection ~~(h)(2)~~ **(i)(2)** if the county auditor determines that the adjustment is necessary to achieve an equitable reduction of property taxes among the homesteads in the county; **or**

(2) residential property tax replacement credit determined under subsection (j)(2) if the county auditor determines that the adjustment is necessary to achieve an equitable reduction of property taxes among the residential property in the county.

SECTION 7. IC 6-9-24-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. (a) If the tax is imposed by a municipality under this chapter, the tax terminates January 1, ~~2007.~~ **2017.**

(b) This chapter expires July 1, ~~2007.~~ **2017.**

SECTION 8. IC 6-9-27-9.5, AS ADDED BY P.L.214-2005, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9.5. (a) A city shall use money in the fund established under section 8.5 of this chapter for only the following:

(1) Renovating the city hall.

(2) Constructing new police or fire stations, or both.

(3) Improving the city's sanitary sewers or wastewater treatment facilities, or both.

(4) Improving the city's storm water drainage systems.

(5) Other projects involving the city's water system or protecting the city's well fields, as determined by the city fiscal body.

Money in the fund may not be used for the operating costs of a project. ~~In addition, the city may not initiate a project under this chapter after December 31, 2010.~~

(b) The fiscal body of the city may pledge money in the fund to pay bonds issued, loans obtained, and lease payments or other obligations incurred by or on behalf of the city or a special taxing district in the city to provide the projects described in subsection (a).

(c) Subsection (b) applies only to bonds, loans, lease payments, or obligations that are issued, obtained, or incurred after the date on which the tax is imposed under section 3 of this chapter.

(d) A pledge under subsection (b) is enforceable under IC 5-1-14-4.

SECTION 6. [EFFECTIVE UPON PASSAGE] **(a) The general assembly finds that:**

(1) IC 6-3.5-1.1-2.8, as amended by this act, allows Jasper County to fund the operation and maintenance of a jail and juvenile detention center through the use of county option income tax revenues; and

(2) allowing Jasper County to fund the operation and maintenance of a jail and juvenile detention center through the use of county option income tax revenues rather than the use of property taxes promotes the purpose of maintaining low property tax rates and is essential to economic development.

(b) These special circumstances require legislation particular to Jasper County.

SECTION 7. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "adopting entity" has the meaning set forth in IC 6-3.5-7-26.**

(b) Notwithstanding IC 6-3.5-7-5, IC 6-3.5-7-6, and IC 6-3.5-7-26, an adopting entity may adopt or amend an ordinance under IC 6-3.5-7-26 in 2006 before October 1, 2006. A tax rate imposed in an ordinance adopted after March 31, 2006, and before September 1, 2006, applies to the adjusted gross income of county taxpayers on the first day of the month that follows the date on which the ordinance is certified to the department of state revenue by at least twenty (20) days. Notwithstanding IC 6-3.5-7-11, if an adopting entity adopts a tax rate under IC 6-3.5-7-26, not later than the later of August 2, 2006, or sixty (60) days after the ordinance is certified to the department of state revenue, the department, after reviewing the recommendation of the budget agency, shall adjust the certified distribution of a county to provide the county with the amount of any tax increase imposed under IC 6-3.5-7-26 to provide additional homestead credits or residential property tax replacement credits as provided in those provisions.".

Renumber all section consecutively.

(Reference is to HB 1402 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 19, nays 3.

ESPICH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred House Bill 1414, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 19, line 22, after "into" insert "**:**

(A) marriage; or

(B)".

Page 19, line 32, delete "or".

Page 19, line 33, after "(3)" insert "**marriage; or**

(4)".

(Reference is to HB 1414 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

ULMER, Chair

Report adopted.

ENGROSSED HOUSE BILLS ON THIRD READING

Engrossed House Bill 1001

Representative Espich called down Engrossed House Bill 1001 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass? On the motion of Representative Whetstone, the previous question was called.

Roll Call 50: yeas 97, nays 1. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Kenley.

HOUSE BILLS ON SECOND READING

The following bills were called down by their respective authors, were read a second time by title, and, there being no amendments, were ordered engrossed: House Bills 1056, 1098, 1112, 1214, 1300, 1323, 1331, and 1367.

ENGROSSED HOUSE BILLS ON THIRD READING

Engrossed House Bill 1007

Representative T. Harris called down Engrossed House Bill 1007 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 51: yeas 81, nays 17. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Kenley and Simpson.

[*Journal Clerk's Note: roll call 52 was a machine test.*]

Engrossed House Bill 1009

Representative Torr called down Engrossed House Bill 1009 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning the general assembly and to make an appropriation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass? On the motion of Representative Kromkowski, the previous question was called.

Roll Call 53: yeas 54, nays 43. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Dillon, Simpson, and Lubbers.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy and Veterans Affairs, to which was referred House Bill 1080, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 16-21-2-2.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [[EFFECTIVE JULY 1, 2006]: **Sec. 2.6. (a) Before January 1, 2007, the physical plant of an abortion clinic must meet the conditions of this section for the clinic to be licensed under IC 16-21-2-2.5.**

(a) Building entrances that are used to reach the clinic must be:

(A) at grade level;
(B) clearly marked;
(C) located so that patients need not go through other activity areas; and
(D) when an abortion clinic is part of another facility, separation of an access to the clinic must be maintained. Lobbies of multiple occupancy buildings may be shared. The design of the clinic must preclude unrelated traffic from the clinic.

(b) The clinic design must ensure appropriate levels of patient:
(A) audible and visual privacy; and
(B) dignity;
throughout the care process.

(c) For common administration and authorized visitor areas, the clinic must be able to accommodate wheelchairs and provide:
(1) a reception and information counter or desk that is:
(A) located to provide visual control of the entrance to the clinic; and
(B) immediately apparent from the entrance;
(2) a waiting area that must be under staff control. The waiting area must contain at least two (2) spaces for each examination and procedure room;
(3) at least one (1) conveniently accessible toilet room containing a lavatory for hand washing;
(4) a conveniently accessible drinking fountain;
(5) interview space for private interviews related to social services, credit, and other issues involving privacy; and
(6) general storage facilities for supplies and equipment needed for continuing operation.

(d) Requirements for clinical facilities are as follows:
(1) Procedure rooms must be segregated and removed from general traffic flow and be at least:
(A) one hundred twenty (120) square feet, exclusive of vestibules, toilets, and closets, for procedures requiring only local analgesia or nitrous oxide; and
(B) two hundred fifty (250) square feet, exclusive of vestibules, toilets, or closets, for procedures that require conscious sedation.
(2) A hand washing station shall be included within each procedure room.
(3) Scrub facilities:
(A) shall be provided near the entrance of procedure rooms;
(B) may provide service to multiple procedure rooms if needed; and
(C) shall be arranged to minimize splatter on nearby personnel or supply carts.
(4) A separate recovery room or area must be included and provide for the following:
(A) A minimum clear area of two (2) feet, six (6) inches around three (3) sides of each recovery cart or lounge chair for work and circulation.
(B) A method of providing privacy for each patient in the room or area.
(C) A work station with
(i) a counter top;
(ii) space for supplies;
(iii) provisions for charting; and
(iv) a communication system.
(5) A drug distribution station must be included. The station:
(A) may be part of the work station;
(B) must include a:
(i) work counter;
(ii) sink; and
(iii) locked storage for biologicals and drugs; and
(C) may include a refrigerator if needed.
(6) A toilet room containing a lavatory for hand washing shall be accessible from all examination and procedure rooms. If a clinic has no more than a total of three (3) examination and procedure rooms, the patient toilet may also serve as the toilet for the waiting area.

(e) Requirements for design standards are as follows:
(1) At least one (1) housekeeping room with:
(A) a service sink; and
(B) adequate storage for housekeeping supplies and equipment;
shall be provided.
(2) Hand washing stations must:
(A) be located and arranged to meet the needs of the clinic;
(B) permit proper use and operation; and
(C) include provision for hand drying equipment except at scrub sinks.
(3) There must be an equipment room or rooms for:
(A) heating;
(B) air conditioning;
(C) hot water; and
(D) other mechanical and electrical;
equipment.
(4) Incinerators, if used, must conform to the building standards prescribed by area air pollution regulations.
(5) The minimum corridor width must be forty-four (44) inches. Items including drinking fountains, telephones, and vending machines may not:
(A) restrict corridor traffic; or
(B) reduce the corridor width below the required minimum.
(6) The minimum nominal door width for patient use must be three (3) feet.
(7) Each building must have at least two (2) exits that are remote from each other.
(8) An approved antiscald device must be provided on the hot water supply to all hand washing facilities limiting the water temperature to a maximum of one hundred ten (110) degrees Fahrenheit or forty-three (43) degrees Celsius.

SECTION 2. [EFFECTIVE JULY 1, 2006] **(a) For purposes of this SECTION "department" refers to the department of health established by IC 16-19-1-1.**

(b) Before August 1, 2006, the department shall survey the physical plant of each abortion clinic that is licensed under IC 16-21-2-2.5 and the rules of the department. The department shall determine and list the features of the physical plant of an abortion clinic that are not in compliance with rules adopted by the department under IC 16-21-2-2.5.

(c) Before September 1, 2006, the department shall notify a clinic that has features found in the survey conducted under subsection (b) that are not in compliance with rules adopted by the department under IC 16-21-2-2.5.

(d) Before January 1, 2007, the department shall reinspect a clinic that received notice under subsection (c) to determine if the features not in compliance with rules adopted by the department under IC 16-21-2-2.5 have been corrected.

(e)The department shall revoke the license of an abortion clinic that has received notice under subsection (c) and has not remedied the feature not in compliance with rules adopted by the department under IC 16-21-2-2.5 as noted in the reinspection under subsection (d).

(Reference is to HB 1080 as introduced.)
and when so amended that said bill do pass.

Committee Vote: yeas 6, nays 2.

STUTZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Safety and Homeland Security, to which was referred House Bill 1090, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 8, nays 0.

RUPPEL, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy and Veterans Affairs, to which was referred House Bill 1099, has had the same

under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 9, nays 0.

STUTZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Environmental Affairs, to which was referred House Bill 1110, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17.

Page 2, delete lines 1 through 10.

Page 2, line 13, after "66.9." insert "**(a)**".

Page 2, between lines 18 and 19, begin a new paragraph and insert: "**(b) This section expires July 1, 2016.**".

Page 2, delete lines 37 through 42.

Page 3, delete lines 1 through 10.

Page 3, line 13, after "128.8." insert "**(a)**".

Page 3, line 14, delete ":" and insert "**a convenience light switch that:**

(1) is located in the hood or trunk lid of a motor vehicle; and

(2) contains mercury.".

Page 3, delete lines 15 through 42, begin a new paragraph and insert:

"**(b) This section expires July 1, 2016.**

SECTION 4. IC 13-11-2-128.9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 128.9. (a) "Mercury switch recovery rate", for purposes of IC 13-20-17.7, means:**

(1) the number of mercury switches recovered from end of life vehicles under IC 13-20-17.7 during a calendar year; divided by

(2) the total number of mercury switches available for recovery from end of life vehicles during the calendar year.

(b) This section expires July 1, 2016.

SECTION 5. IC 13-20-17.7 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]:

Chapter 17.7. Mercury Switches in End of Life Vehicles

Sec. 1. Manufacturers of motor vehicles engaged on July 1, 2006, in the business of offering motor vehicles for sale in Indiana shall, individually or collectively:

(1) develop a plan to:

(A) remove;

(B) collect;

(C) recover; and

(D) recycle or dispose of;

mercury switches from end of life vehicles;

(2) submit the plan to the commissioner before January 1, 2007; and

(3) implement the plan as required under section 4(b) of this chapter.

Sec. 2. A plan described in section 1 of this chapter must include the following:

(1) Identification of vehicle recyclers and scrap recyclers in Indiana.

(2) An education program concerning the purposes of the mercury switch collection program and how to participate in the program, including the following:

(A) Educational materials about the program.

(B) Information identifying which end of life vehicles contain mercury switches by make, model, and year of manufacture.

(C) Instructions on safe and environmentally sound methods to remove mercury switches.

(3) The provision of containers for collecting and storing mercury switches.

(4) Procedures for the transportation of mercury switches to recycling, storage, or disposal facilities.

(5) Procedures for the recycling, storage, and disposal of mercury.

(6) Procedures to track the progress of the program, including a description of performance measures to be used and reported to demonstrate that the program is meeting the recovery rate goals established in subdivision (8) and other measures of the effectiveness of the program, including the following:

(A) The number of mercury switches collected from end of life vehicles.

(B) The amount of mercury collected.

(C) The number of end of life vehicles containing mercury switches.

(D) The number of end of life vehicles processed for recycling.

(7) Procedures for implementing the plan.

(8) Mercury switch recovery rate goals of at least:

(A) thirty-three and three-tenths percent (33.3%) in 2007;

(B) seventy percent (70%) in 2008;

(C) eighty percent (80%) in 2009; and

(D) ninety percent (90%) in 2010 and thereafter.

(9) A description of additional or alternative actions that must be implemented to improve the plan and its operation if the recovery rate goals established in subdivision (8) are not met.

Sec. 3. Motor vehicle manufacturers that submit plans, individually or collectively, under this chapter shall pay the following costs incurred for implementing the plans:

(1) Educational materials.

(2) Training.

(3) Packaging for transporting mercury switches to recycling, storage, or disposal facilities.

(4) Shipping of mercury switches to recycling, storage, or disposal facilities.

(5) Recycling, storage, or disposal of mercury switches.

(6) Public education materials and presentations.

(7) Maintenance of all appropriate systems and procedures to protect the environment from mercury contamination.

Sec. 4. (a) The commissioner shall do the following:

(1) Not more than thirty (30) days after receiving a plan developed by a motor vehicle manufacturer or a group of motor vehicle manufacturers under section 1 of this chapter, issue a public notice and solicit public comment on the plan.

(2) Not more than ninety (90) days after receiving a plan, determine whether the entire plan complies with this chapter and:

(A) if the entire plan complies with this chapter, approve the plan in its entirety;

(B) if no part of the plan complies with this chapter, reject the plan in its entirety; or

(C) if only part of the plan complies with this chapter, approve that part and reject the rest of the plan.

(b) If a plan is approved in its entirety under subsection (a)(2)(A), the motor vehicle manufacturers shall begin implementing the plan not more than thirty (30) days after the date the plan is approved. If an entire plan is rejected under subsection (a)(2)(B), the commissioner shall inform the motor vehicle manufacturers why the plan was rejected, and the manufacturers shall submit a new plan not more than thirty (30) days after the commissioner informs the manufacturers that the entire plan was rejected. If a plan is approved in part and rejected in part under subsection (a)(2)(C), the manufacturers shall immediately implement the approved part of the plan and submit a revision of the rejected part of the plan not more than thirty (30) days after the commissioner informs the manufacturers of the commissioner's partial approval. The commissioner shall review a revised plan not more than thirty (30) days after receiving the revised plan.

(c) Not more than two hundred forty (240) days after receiving a plan developed by motor vehicle manufacturers under section 1 of this chapter, the commissioner shall complete, on behalf of

the manufacturer, any part of the plan that has not yet been approved.

(d) After a plan has been approved under this section, the commissioner shall:

(1) review the plan three (3) years after the original date of approval of the plan and every three (3) years thereafter; and

(2) require the motor vehicle manufacturers to modify the plan as appropriate.

Sec. 5. (a) A person that sells, gives, or otherwise conveys ownership of an end of life vehicle to a scrap recycling facility for recycling shall remove all mercury switches from the vehicle before delivering the vehicle to the facility.

(b) After a mercury switch is removed from a vehicle, the mercury switch shall be collected, stored, transported, and otherwise handled in accordance with the plan approved under section 4 of this chapter.

(c) Notwithstanding subsection (a), a scrap recycling facility may accept an end of life vehicle containing mercury switches that has not been intentionally flattened, crushed, or baled if the scrap recycling facility assumes responsibility for removing the mercury switches.

(d) A vehicle recycler, scrap recycling facility, or any other person that removes mercury switches in accordance with this section shall maintain records that document the number of:

(1) end of life vehicles the person processed for recycling;

(2) end of life vehicles the person processed that contained mercury switches; and

(3) mercury switches the person collected.

(e) A person may not represent that mercury switches have been removed from a motor vehicle being sold or otherwise conveyed for recycling if the person has not removed the mercury switches from the vehicle.

(f) A scrap recycling facility or other person that receives an intentionally flattened, crushed, or baled end of life vehicle may not be considered to be in violation of this section if a mercury switch is found in the vehicle after the person acquires the vehicle.

Sec. 6. The board may adopt rules under IC 4-22-2 and IC 13-14-9 to implement this chapter.

Sec. 7. (a) This chapter shall be enforced under IC 13-30-3.

(b) A violation of this chapter or a rule adopted under this chapter is subject to the penalties set forth in the following:

(1) IC 13-30-4.

(2) IC 13-30-5.

(3) IC 13-30-6.

(4) IC 13-30-8.

Sec. 8. This chapter expires July 1, 2016.".

Delete pages 4 through 9.

Renumber all SECTIONS consecutively.

(Reference is to HB 1110 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

WOLKINS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, to which was referred House Bill 1113, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 4, after "Food" insert "**and Beverages**".

Page 1, line 7, after "food" insert "**or a beverage**".

Page 1, line 11, after "food" insert "**or a beverage**".

Page 1, line 13, after "food" insert "**or beverage**".

Page 1, line 14, after "food" insert "**or beverage**".

Page 1, line 15, after "food" insert "**or beverage**".

Page 1, line 16, after "food" insert "**or beverages**".

Page 1, line 17, after "food" insert "**or beverage**".

Page 2, line 1, after "food" insert "**or beverage**".

Page 2, line 2, after "food" insert "**or beverage**".

Page 2, line 15, after "food" insert "**or beverages**".

(Reference is to HB 1113 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 4.

RIPLEY, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy and Veterans Affairs, to which was referred House Bill 1172, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, strike lines 31 through 33.

Page 2, between lines 33 and 34, begin a new line block indented and insert:

"**(3) At least eighteen (18) hours before the abortion, the pregnant woman will be informed in writing of the following:**

(A) That adoption alternatives are available and that adoptive parents may legally pay the costs of prenatal care, childbirth, and neonatal care.

(B) That there are physical risks to the woman in having an abortion, both during the abortion procedure and after.

(C) That human life begins when a human ovum is fertilized by a human sperm.".

Page 2, line 34, strike "(3)" and insert "**(4)**".

Page 2, line 36, strike "and (2)" and insert "**through (3)**".

(Reference is to HB 1172 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 3.

STUTZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, to which was referred House Bill 1239, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 27-8-5-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2.5. (a) As used in this section, the term "policy of accident and sickness insurance" does not include the following:

(1) Accident only, credit, dental, vision, Medicare supplement, long term care, or disability income insurance.

(2) Coverage issued as a supplement to liability insurance.

(3) Automobile medical payment insurance.

(4) A specified disease policy issued as an individual policy.

(5) A limited benefit health insurance policy issued as an individual policy.

(6) A short term insurance plan that:

(A) may not be renewed; and

(B) has a duration of not more than six (6) months.

(7) A policy that provides a stipulated daily, weekly, or monthly payment to an insured during hospital confinement, without regard to the actual expense of the confinement.

(8) Worker's compensation or similar insurance.

(9) A student health insurance policy.

(b) The benefits provided by:

(1) an individual policy of accident and sickness insurance; **or**

(2) a certificate of coverage that is issued under a nonemployer based association group policy of accident and sickness insurance to an individual who is a resident of Indiana;

may not be excluded, limited, or denied for more than twelve (12) months after the effective date of the coverage because of a preexisting condition of the individual.

(c) ~~An individual~~ **A** policy of accident and sickness insurance **described in subsection (b)** may not define a preexisting condition, a rider, or an endorsement more restrictively than as:

(1) a condition that would have caused an ordinarily prudent person to seek medical advice, diagnosis, care, or treatment during the twelve (12) months immediately preceding the effective date of enrollment in the plan;

(2) a condition for which medical advice, diagnosis, care, or treatment was recommended or received during the twelve (12) months immediately preceding the effective date of enrollment in the plan; or

(3) a pregnancy existing on the effective date of enrollment in the plan.

(d) An insurer shall reduce the period allowed for a preexisting condition exclusion described in subsection (b) by the amount of time the individual has continuously served under a preexisting condition clause for a policy of accident and sickness insurance issued under IC 27-8-15 if the individual applies for a policy under this chapter not more than thirty (30) days after coverage under a policy of accident and sickness insurance issued under IC 27-8-15 expires.

(e) This subsection applies to a policy that is issued after June 30, 2003, and before July 1, 2005. Notwithstanding subsections (b) and (c), an individual policy of accident and sickness insurance may contain a waiver of coverage for a specified condition and complications directly related to the specified condition if:

(1) the period for which the exemption would be in effect does not exceed two (2) years; and

(2) all of the following conditions are met:

(A) The insurer provides to the applicant before issuance of the policy a written notice explaining the waiver of coverage for the specified condition and complications directly related to the specified condition, including a specific description of each condition, complication, service, and treatment for which coverage is being waived.

(B) The:

(i) offer of coverage; and

(ii) policy;

include the waiver in a separate section stating in bold print that the applicant is receiving coverage with an exception for the waived condition and specifying each related condition, complication, service, and treatment for which coverage is waived.

(C) The:

(i) offer of coverage; and

(ii) policy;

do not include more than two (2) waivers per individual.

(D) The waiver period is concurrent with and not in addition to any applicable preexisting condition limitation or exclusionary period.

(E) The insurer agrees to:

(i) review the underwriting basis for the waiver upon request one (1) time per year; and

(ii) remove the waiver if the insurer determines that evidence of insurability is satisfactory.

(F) The insurer discloses to the applicant that the applicant may decline the offer of coverage and apply for a policy issued by the Indiana comprehensive health insurance association under IC 27-8-10.

(G) The waiver of coverage does not apply to coverage required under state law.

(H) An insurance benefit card issued by the insurer to the applicant includes a telephone number for verification of coverage waived.

The insurer shall require an applicant to initial the written notice provided under subdivision (2)(A) and the waiver included in the offer of coverage and in the policy under subdivision (2)(B) to acknowledge acceptance of the waiver of coverage. An offer of coverage under a policy that includes a waiver under this subsection does not preclude eligibility for an Indiana comprehensive health insurance association policy under IC 27-8-10-5.1. This subsection expires July 1, 2007.

(f) This subsection applies to a policy that is issued after June 30, 2003, and before July 1, 2005. An insurer shall not, on the basis of a waiver contained in a policy as provided in subsection (e), deny coverage for any condition, complication, service, or treatment that is not specified as required in the:

(1) written notice under subsection (e)(2)(A); and

(2) offer of coverage and policy under subsection (e)(2)(B).

This subsection expires July 1, 2007.

(g) This subsection applies to a policy that is issued after June 30, 2003, and before July 1, 2005. An individual who is covered under a policy that includes a waiver under subsection (e) may directly appeal a denial of coverage based on the waiver by filing a request for an external grievance review under IC 27-8-29 without pursuing a grievance under IC 27-8-28. This subsection expires July 1, 2007.

(h) This subsection applies to a policy that is issued after June 30, 2003, and before July 1, 2005. Notwithstanding subsection (e), an individual policy of accident and sickness insurance may not contain a waiver of coverage for:

(1) a mental health condition; or

(2) a developmental disability.

This subsection expires July 1, 2007.

(i) This subsection applies to a policy that is issued after June 30, 2003, and before July 1, 2005. A waiver under this section may be applied to a policy of accident and sickness insurance only at the time the policy is issued. This subsection expires July 1, 2007.

(j) This subsection applies to a policy that is issued after June 30, 2003, and before July 1, 2005. An insurer or insurance producer shall not use this section to circumvent the guaranteed access and availability provisions of this chapter, IC 27-8-15, or the federal Health Insurance Portability and Accountability Act of 1996 (P.L. 104-191). This subsection expires July 1, 2007.

(k) This subsection applies to a policy that is issued after June 30, 2003, and before July 1, 2005. A pattern or practice of violations of subsections (e) through (j) is an unfair method of competition or an unfair and deceptive act and practice in the business of insurance under IC 27-4-1-4. This subsection expires July 1, 2007.

SECTION 2. IC 27-8-5-16.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 16.5. (a) As used in this section, "delivery state" means any state other than Indiana in which a policy is delivered or issued for delivery.

(b) Except as provided in subsection (c), (d), or (e), a certificate may not be issued to a resident of Indiana pursuant to a group policy that is delivered or issued for delivery in a state other than Indiana.

(c) A certificate may be issued to a resident of Indiana pursuant to a group policy not described in subsection (d) that is delivered or issued for delivery in a state other than Indiana if:

(1) the delivery state has a law substantially similar to section 16 of this chapter;

(2) the delivery state has approved the group policy; and

(3) the policy or the certificate contains provisions that are:

(A) substantially similar to the provisions required by:

(i) section 19 of this chapter;

(ii) section 21 of this chapter; and

(iii) IC 27-8-5.6; and

(B) consistent with the requirements set forth in:

(i) section 24 of this chapter;

(ii) IC 27-8-6;

(iii) IC 27-8-14;

(iv) IC 27-8-23;

(v) 760 IAC 1-38.1; and

(vi) 760 IAC 1-39.

(d) A certificate may be issued to a resident of Indiana under an association group policy, a discretionary group policy, or a trust group policy that is delivered or issued for delivery in a state other than Indiana if:

(1) the delivery state has a law substantially similar to section 16 of this chapter;

(2) the delivery state has approved the group policy; and

(3) the policy or the certificate contains provisions that are:

(A) substantially similar to the provisions required by:

(i) section 19 of this chapter **or, if the policy or certificate is described in section 2.5(b)(2) of this chapter, section 2.5 of this chapter;**

(ii) section 19.2 of this chapter if the policy or certificate contains a waiver of coverage;

(iii) section 21 of this chapter; and
(iv) IC 27-8-5.6; and
(B) consistent with the requirements set forth in:
(i) section 15.6 of this chapter;
(ii) section 24 of this chapter;
(iii) section 26 of this chapter;
(iv) IC 27-8-6;
(v) IC 27-8-14;
(vi) IC 27-8-14.1;
(vii) IC 27-8-14.5;
(viii) IC 27-8-14.7;
(ix) IC 27-8-14.8;
(x) IC 27-8-20;
(xi) IC 27-8-23;
(xii) IC 27-8-24.3;
(xiii) IC 27-8-26;
(xiv) IC 27-8-28;
(xv) IC 27-8-29;
(xvi) 760 IAC 1-38.1; and
(xvii) 760 IAC 1-39.

(e) A certificate may be issued to a resident of Indiana pursuant to a group policy that is delivered or issued for delivery in a state other than Indiana if the commissioner determines that the policy pursuant to which the certificate is issued meets the requirements set forth in section 17(a) of this chapter.

(f) This section does not affect any other provision of Indiana law governing the terms or benefits of coverage provided to a resident of Indiana under any certificate or policy of insurance.

SECTION 3. IC 27-8-5-19, AS AMENDED BY P.L.125-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 19. (a) As used in this chapter, "late enrollee" has the meaning set forth in 26 U.S.C. 9801(b)(3).

(b) A policy of group accident and sickness insurance may not be issued to a group that has a legal situs in Indiana unless it contains in substance:
(1) the provisions described in subsection (c); or
(2) provisions that, in the opinion of the commissioner, are:
(A) more favorable to the persons insured; or
(B) at least as favorable to the persons insured and more favorable to the policyholder;
than the provisions set forth in subsection (c).

(c) The provisions referred to in subsection (b)(1) are as follows:
(1) A provision that the policyholder is entitled to a grace period of thirty-one (31) days for the payment of any premium due except the first, during which grace period the policy will continue in force, unless the policyholder has given the insurer written notice of discontinuance in advance of the date of discontinuance and in accordance with the terms of the policy. The policy may provide that the policyholder is liable to the insurer for the payment of a pro rata premium for the time the policy was in force during the grace period. A provision under this subdivision may provide that the insurer is not obligated to pay claims incurred during the grace period until the premium due is received.
(2) A provision that the validity of the policy may not be contested, except for nonpayment of premiums, after the policy has been in force for two (2) years after its date of issue, and that no statement made by a person covered under the policy relating to the person's insurability may be used in contesting the validity of the insurance with respect to which the statement was made, unless:
(A) the insurance has not been in force for a period of two (2) years or longer during the person's lifetime; or
(B) the statement is contained in a written instrument signed by the insured person.
However, a provision under this subdivision may not preclude the assertion at any time of defenses based upon a person's ineligibility for coverage under the policy or based upon other provisions in the policy.
(3) A provision that a copy of the application, if there is one, of the policyholder must be attached to the policy when issued, that all statements made by the policyholder or by the persons insured are to be deemed representations and not warranties, and that no statement made by any person insured may be used in any contest unless a copy of the instrument containing the statement is or has been furnished to the insured person or, in the event of death or incapacity of the insured person, to the insured person's beneficiary or personal representative.
(4) A provision setting forth the conditions, if any, under which the insurer reserves the right to require a person eligible for insurance to furnish evidence of individual insurability satisfactory to the insurer as a condition to part or all of the person's coverage.
(5) A provision specifying any additional exclusions or limitations applicable under the policy with respect to a disease or physical condition of a person that existed before the effective date of the person's coverage under the policy and that is not otherwise excluded from the person's coverage by name or specific description effective on the date of the person's loss. An exclusion or limitation that must be specified in a provision under this subdivision:
(A) may apply only to a disease or physical condition for which medical advice, diagnosis, care, or treatment was received by the person or recommended to the person during the six (6) months before the enrollment date of the person's coverage; and
(B) may not apply to a loss incurred or disability beginning after the earlier of:
(i) the end of a continuous period of twelve (12) months beginning on or after the enrollment date of the person's coverage; or
(ii) the end of a continuous period of eighteen (18) months beginning on the enrollment date of the person's coverage if the person is a late enrollee.
This subdivision applies only to group policies of accident and sickness insurance other than those described in section 2.5(a)(1) through 2.5(a)(8) **and 2.5(b)(2)** of this chapter.
(6) A provision specifying any additional exclusions or limitations applicable under the policy with respect to a disease or physical condition of a person that existed before the effective date of the person's coverage under the policy. An exclusion or limitation that must be specified in a provision under this subdivision:
(A) may apply only to a disease or physical condition for which medical advice or treatment was received by the person during a period of three hundred sixty-five (365) days before the effective date of the person's coverage; and
(B) may not apply to a loss incurred or disability beginning after the earlier of the following:
(i) The end of a continuous period of three hundred sixty-five (365) days, beginning on or after the effective date of the person's coverage, during which the person did not receive medical advice or treatment in connection with the disease or physical condition.
(ii) The end of the two (2) year period beginning on the effective date of the person's coverage.
This subdivision applies only to group policies of accident and sickness insurance described in section 2.5(a)(1) through 2.5(a)(8) of this chapter.
(7) If premiums or benefits under the policy vary according to a person's age, a provision specifying an equitable adjustment of:
(A) premiums;
(B) benefits; or
(C) both premiums and benefits;
to be made if the age of a covered person has been misstated. A provision under this subdivision must contain a clear statement of the method of adjustment to be used.
(8) A provision that the insurer will issue to the policyholder, for delivery to each person insured, a certificate, in electronic or paper form, setting forth a statement that:
(A) explains the insurance protection to which the person insured is entitled;
(B) indicates to whom the insurance benefits are payable; and
(C) explains any family member's or dependent's coverage

under the policy.

The provision must specify that the certificate will be provided in paper form upon the request of the insured.

(9) A provision stating that written notice of a claim must be given to the insurer within twenty (20) days after the occurrence or commencement of any loss covered by the policy, but that a failure to give notice within the twenty (20) day period does not invalidate or reduce any claim if it can be shown that it was not reasonably possible to give notice within that period and that notice was given as soon as was reasonably possible.

(10) A provision stating that:

(A) the insurer will furnish to the person making a claim, or to the policyholder for delivery to the person making a claim, forms usually furnished by the insurer for filing proof of loss; and

(B) if the forms are not furnished within fifteen (15) days after the insurer received notice of a claim, the person making the claim will be deemed to have complied with the requirements of the policy as to proof of loss upon submitting, within the time fixed in the policy for filing proof of loss, written proof covering the occurrence, character, and extent of the loss for which the claim is made.

(11) A provision stating that:

(A) in the case of a claim for loss of time for disability, written proof of the loss must be furnished to the insurer within ninety (90) days after the commencement of the period for which the insurer is liable, and that subsequent written proofs of the continuance of the disability must be furnished to the insurer at reasonable intervals as may be required by the insurer;

(B) in the case of a claim for any other loss, written proof of the loss must be furnished to the insurer within ninety (90) days after the date of the loss; and

(C) the failure to furnish proof within the time required under clause (A) or (B) does not invalidate or reduce any claim if it was not reasonably possible to furnish proof within that time, and if proof is furnished as soon as reasonably possible but (except in case of the absence of legal capacity of the claimant) no later than one (1) year from the time proof is otherwise required under the policy.

(12) A provision that:

(A) all benefits payable under the policy (other than benefits for loss of time) will be paid in accordance with IC 27-8-5.7; and

(B) subject to due proof of loss, all accrued benefits under the policy for loss of time will be paid not less frequently than monthly during the continuance of the period for which the insurer is liable, and any balance remaining unpaid at the termination of the period for which the insurer is liable will be paid as soon as possible after receipt of the proof of loss.

(13) A provision that benefits for loss of life of the person insured are payable to the beneficiary designated by the person insured. However, if the policy contains conditions pertaining to family status, the beneficiary may be the family member specified by the policy terms. In either case, payment of benefits for loss of life is subject to the provisions of the policy if no designated or specified beneficiary is living at the death of the person insured. All other benefits of the policy are payable to the person insured. The policy may also provide that if any benefit is payable to the estate of a person or to a person who is a minor or otherwise not competent to give a valid release, the insurer may pay the benefit, up to an amount of five thousand dollars ($5,000), to any relative by blood or connection by marriage of the person who is deemed by the insurer to be equitably entitled to the benefit.

(14) A provision that the insurer has the right and must be allowed the opportunity to:

(A) examine the person of the individual for whom a claim is made under the policy when and as often as the insurer reasonably requires during the pendency of the claim; and

(B) conduct an autopsy in case of death if it is not prohibited by law.

(15) A provision that no action at law or in equity may be brought to recover on the policy less than sixty (60) days after proof of loss is filed in accordance with the requirements of the policy and that no action may be brought at all more than three (3) years after the expiration of the time within which proof of loss is required by the policy.

(16) In the case of a policy insuring debtors, a provision that the insurer will furnish to the policyholder, for delivery to each debtor insured under the policy, a certificate of insurance describing the coverage and specifying that the benefits payable will first be applied to reduce or extinguish the indebtedness.

(17) If the policy provides that hospital or medical expense coverage of a dependent child of a group member terminates upon the child's attainment of the limiting age for dependent children set forth in the policy, a provision that the child's attainment of the limiting age does not terminate the hospital and medical coverage of the child while the child is:

(A) incapable of self-sustaining employment because of mental retardation or mental or physical disability; and

(B) chiefly dependent upon the group member for support and maintenance.

A provision under this subdivision may require that proof of the child's incapacity and dependency be furnished to the insurer by the group member within one hundred twenty (120) days of the child's attainment of the limiting age and, subsequently, at reasonable intervals during the two (2) years following the child's attainment of the limiting age. The policy may not require proof more than once per year in the time more than two (2) years after the child's attainment of the limiting age. This subdivision does not require an insurer to provide coverage to a mentally retarded or mentally or physically disabled child who does not satisfy the requirements of the group policy as to evidence of insurability or other requirements for coverage under the policy to take effect. In any case, the terms of the policy apply with regard to the coverage or exclusion from coverage of the child.

(18) A provision that complies with the group portability and guaranteed renewability provisions of the federal Health Insurance Portability and Accountability Act of 1996 (P.L.104-191).

(d) Subsection (c)(5), (c)(8), and (c)(13) do not apply to policies insuring the lives of debtors. The standard provisions required under section 3(a) of this chapter for individual accident and sickness insurance policies do not apply to group accident and sickness insurance policies.

(e) If any policy provision required under subsection (c) is in whole or in part inapplicable to or inconsistent with the coverage provided by an insurer under a particular form of policy, the insurer, with the approval of the commissioner, shall delete the provision from the policy or modify the provision in such a manner as to make it consistent with the coverage provided by the policy.

(f) An insurer that issues a policy described in this section shall include in the insurer's enrollment materials information concerning the manner in which an individual insured under the policy may:

(1) obtain a certificate described in subsection (c)(8); and

(2) request the certificate in paper form.

SECTION 4. [EFFECTIVE JULY 1, 2006] **IC 27-8-5-2.5, IC 27-8-5-16.5, and IC 27-8-5-19, all as amended by this act, apply to a certificate of coverage under a nonemployer based association group policy of accident and sickness insurance that is issued, delivered, amended, or renewed after June 30, 2006.**

(Reference is to HB 1239 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

RIPLEY, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy and Veterans Affairs, to which was referred House Bill 1247, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, between lines 4 and 5, begin a new paragraph and insert:

"**(d) An action may not be maintained under this section against a:**

(1) person for conduct relating to an abortion for which, in the physician's good faith medical judgment, the consent of the pregnant woman was express or implied by law;

(2) person for any lawful medical treatment of the pregnant woman or the fetus; or

(3) woman for behavior or conduct with respect to her fetus.".

Page 2, line 5, strike "(d)" and insert "**(e)**".

Page 2, line 7, strike "(e)" and insert "**(f)**".

Page 2, line 22, strike "(f)" and insert "**(g)**".

Page 2, line 31, strike "(g)" and insert "**(h)**".

Page 2, line 31, strike "(e)(2)" and insert "**(f)(2)**".

Page 2, line 34, strike "(h)" and insert "**(i)**".

Page 2, line 34, strike "(e)(1), (e)(2), (e)(3)(C)," and insert "**(f)(1), (f)(2), (f)(3)(C),**".

Page 2, line 35, strike "(e)(3)(D)" and insert "**(f)(3)(D)**".

(Reference is to HB 1247 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 0.

STUTZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Environmental Affairs, to which was referred House Bill 1285, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning renewable energy.

Delete everything after the enacting clause and insert the following:

SECTION 1. [EFFECTIVE UPON PASSAGE] **(a) The environmental quality service council established under IC 13-13-7 shall study and make findings and recommendations concerning the following:**

(1) The most effective ways of implementing the Renewable Fuels Standards of the federal Energy Policy Act of 2005 in Indiana.

(2) The feasibility of requiring motor vehicles sold in Indiana to meet the flexible fuel vehicle standards of:

(A) eighty-five percent (85%) ethanol (E85) motor fuel for gasoline powered motor vehicles; and

(B) twenty percent (20%) biodiesel (B20) motor fuel for diesel powered motor vehicles.

(b) The environmental quality service council shall include its findings and recommendations developed under subsection (a) in the environmental quality service council's 2006 final report to the legislative council.

(c) This SECTION expires January 1, 2007.

SECTION 2. **An emergency is declared for this act.**

(Reference is to HB 1285 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

WOLKINS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred House Bill 1344, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 6, delete "nineteen (19)".

Page 1, delete lines 8 through 18, begin a new line block indented and insert:

"**(1) The mayor of the city of Evansville or the mayor's designee.**

(2) Two (2) members of the common council of the city of Evansville, who must be members of different political parties, appointed by the majority vote of the common council.

(3) One (1) member of the Vanderburgh County board of commissioners, appointed by the majority vote of the board of commissioners.

(4) Two (2) members of the Vanderburgh County council, who must be members of different political parties, appointed by the majority vote of the county council.

(5) Six (6) residents of Vanderburgh County appointed as follows:

(A) Three (3) individuals appointed by the president of the Vanderburgh County council, not more than two (2) of whom may be members of the same political party.

(B) Three (3) individuals appointed by the president of the Vanderburgh County board of commissioners, not more than two (2) of whom may be members of the same political party.

(d) The following individuals shall serve as nonvoting advisers to the commission:

(1) The Vanderburgh County sheriff or the sheriff's designee.

(2) The chief of the police department of the city of Evansville or the chief's designee.

(3) The chief of the fire department of the city of Evansville or the chief's designee.

(4) The chief or other officer in charge of a volunteer fire department in Vanderburgh County, appointed by the majority vote of all chiefs or other officers in charge of all volunteer fire departments in Vanderburgh County.

(5) An elected township assessor for a township in Vanderburgh County, appointed by the majority vote of all elected township assessors in Vanderburgh County.

(6) An elected township trustee for a township in Vanderburgh County, appointed by the majority vote of all elected township trustees in Vanderburgh County.".

Page 2, delete lines 1 through 17.

Page 2, line 18, delete "(d)" and insert "**(e)**".

Page 2, line 20, delete "(e)" and insert "**(f)**".

Page 2, line 21, delete "chairman of the legislative council shall designate" and insert "**members of the commission shall elect**".

Page 2, line 24, delete "(f)" and insert "**(g)**".

Page 2, line 27, delete "(g)" and insert "**(h)**".

Page 2, delete lines 32 through 33.

Page 3, delete lines 33 through 38, begin a new line block indented and insert:

""**Should a commission consisting of representatives of Vanderburgh County and the city of Evansville complete studies of merging the governments of Vanderburgh County and the city of Evansville and submit the commission's final recommendations to the voters not later than 2008?".**".

(Reference is to HB 1344 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

BUCK, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1381, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 10, delete "a half-day or".

Page 3, delete lines 28 through 40, begin a new line double block indented and insert:

"**(A) Five-tenths (0.5) if the qualified individual pays or incurs a tuition expense in the qualified individual's taxable year for an entire school year (as defined in IC 20-18-2-17).**

(B) A lesser percentage determined under the rules adopted by the department of education, if the qualified individual pays or incurs a tuition expense in the qualified individual's taxable year for less than an entire school year (as defined in IC 20-18-2-17). The department of education shall adopt rules to establish a credit percentage schedule for the

payment of credits for qualified dependents who do not enroll in or pay tuition to a participating school for an entire school year (as defined in IC 20-18-2-17). The schedule must be proportional to the educational services received by the qualified dependent.".

Page 6, delete lines 40 through 42.

Delete page 7.

Page 8, delete lines 1 through 20.

Renumber all SECTIONS consecutively.

(Reference is to HB 1381 as printed January 26, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 15, nays 5.

ESPICH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred House Bill 1397, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 17, delete "an executive branch" and insert "**a**".

Page 2, between lines 18 and 19, begin a new line double block indented and insert:

"**(C) The relationship an unregistered lobbyist has with an agency.**".

Page 4, line 17, delete ":".

Page 4, delete line 18.

Page 4, line 19, delete "(B)".

Page 4, line 19, strike "IC 2-7-2-1;" and insert "**IC 4-2-7;**".

Page 4, run in lines 17 through 19.

Page 4, line 41, delete "." and insert "**;**".

Page 4, between lines 41 and 42, begin a new line double block indented and insert:

"**(E) IC 4-2-8; or**

(F) a rule adopted under IC 4-2-8.".

Page 7, line 17, after "IC 4-2-7," insert "**IC 4-2-8,**".

Page 7, line 18, after "chapter" strike "or".

Page 7, line 20, after "IC 4-2-7," insert "**or IC 4-2-8,**".

Page 7, line 26, after "IC 4-2-7," insert "**IC 4-2-8,**".

Page 7, line 27, after "chapter" strike "or".

Page 7, line 29, after "IC 4-2-7," insert "**or IC 4-2-8,**".

Page 8, line 11, delete "chapter or" and insert "**chapter,**".

Page 8, line 11, after "IC 4-2-7," insert "**or IC 4-2-8,**".

Page 10, delete lines 30 through 32.

Page 10, line 33, delete "(6) (7)" and insert "(6)".

Page 13, line 20, delete "a an executive branch" and insert "a".

Page 14, line 34, delete "a an executive branch" and insert "a".

Page 14, line 38, delete "A an executive branch" and insert "A".

Page 15, line 1, after "IC 4-2-7," insert "**IC 4-2-8,**".

Page 15, line 1, after "chapter" strike "or".

Page 15, line 3, after "IC 4-2-7," insert "**or IC 4-2-8,**".

Page 15, line 19, delete "an" and insert "**a**".

Page 15, line 20, delete "executive branch".

Page 16, line 29, delete ""Lobbyist" "Executive branch lobbyist"" and insert ""Lobbyist"".

Page 16, line 30, delete ".".

Page 16, line 30, reset in roman "and who is".

Page 16, reset in roman lines 31 through 32.

Page 17, line 32, delete "." and insert "**, including the code of ethics for state officers, employees, special state appointees, and persons who have a business relationship with an agency, including whether additional specific state officers, employees, or special state appointees should be required to file a financial disclosure statement under IC 4-2-6-8.**".

Page 18, line 22, delete "a" and insert "**an initial**".

Page 18, line 22, after "fee" insert "**and an annual report filing fee**".

Page 19, line 21, delete "the following:" and insert "**fifty dollars ($50) until the department sets a different fee by rules adopted by the department under IC 4-22-2.**"

Page 19, delete lines 22 through 28.

Page 19, between lines 28 and 29, begin a new paragraph and insert:

"**(c) The annual report filing fee for a lobbyist under IC 4-2-8 is "fifty dollars ($50) until the department sets a different fee by rules adopted by the department under IC 4-22-2.**".

Page 19, line 29, delete "(c)" and insert "**(d)**".

(Reference is to HB 1397 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

BUCK, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Family, Children and Human Affairs, to which was referred House Bill 1415, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 10, after "spray;" insert "**or**".

Page 1, delete line 11.

Page 1, line 12, delete "(4)" and insert "**(3)**".

(Reference is to HB 1415 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

BUDAK, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Joint Resolution 3, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said resolution do pass.

Committee Vote: yeas 20, nays 2.

ESPICH, Chair

Report adopted.

ENGROSSED HOUSE BILLS ON THIRD READING

Engrossed House Bill 1010

Representative Wolkins called down Engrossed House Bill 1010 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning property.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 54: yeas 98, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Bray, Drozda, Sipes, and Lewis.

Engrossed House Bill 1016

Representative Ayres called down Engrossed House Bill 1016 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning courts and court officers.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 55: yeas 96, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Bray.

Engrossed House Bill 1017

Representative Welch called down Engrossed House Bill 1017 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

The bill was read a third time by sections and placed upon its passage.

HOUSE MOTION
(Amendment 1017–1)

Mr. Speaker: I move that Engrossed House Bill 1017 be recommitted to a Committee of One, its author, with specific instructions to amend as follows:

Page 22, line 10, delete "IC 25-34", insert "**IC 25-34-1**".

WELCH

There being a two-thirds vote in favor of the motion, the motion prevailed.

COMMITTEE REPORT

Mr. Speaker: Your Committee of One, to which was referred Engrossed House Bill 1017, begs leave to report that said bill has been amended as directed.

WELCH

Report adopted.

The question then was, Shall the bill pass?

Roll Call 56: yeas 90, nays 1. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Becker, Broden, and Long.

Engrossed House Bill 1018

Representative Robertson called down Engrossed House Bill 1018 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning environmental law.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 57: yeas 94, nays 1. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Hershman and R. Young.

Engrossed House Bill 1020

Representative Avery called down Engrossed House Bill 1020 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 58: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Becker and Broden.

Engrossed House Bill 1022

Representative Ruppel called down Engrossed House Bill 1022 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning agriculture and animals.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 59: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Merritt, Ford, Lewis, and Craycraft.

Engrossed House Bill 1024

Representative J. Smith called down Engrossed House Bill 1024 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 60: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Drozda.

Representative Goodin was excused.

Engrossed House Bill 1049

Representative Bell called down Engrossed House Bill 1049 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 61: yeas 98, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators M. Young, Dillon, and Kruse.

Representative Hinkle was excused.

Engrossed House Bill 1065

Representative Gutwein called down Engrossed House Bill 1065 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning agriculture and animals.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 62: yeas 69, nays 23. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Heinold and Nugent.

Engrossed House Bill 1073

Representative Walorski called down Engrossed House Bill 1073 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 63: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Riegsecker and M. Young.

RESOLUTIONS ON FIRST READING

House Resolution 8

Representative Frizzell introduced House Resolution 8:

A HOUSE RESOLUTION memorializing Opal Mae McWhorter-Hendley.

Whereas, Opal Mae McWhorter-Hendley passed away December 4, 2004, at the United Methodist Home Community in Franklin, Indiana;

Whereas, The service for Opal Mae McWhorter-Hendley was held on December 9, 2004, at the United Methodist Home Community Chapel and she was interred at the Greenlawn Cemetery in Franklin, Indiana;

Whereas, At the time of her death, Opal Mae McWhorter-Hendley had just celebrated her 76th birthday; she had seven grandchildren and nine great grandchildren;

Whereas, A memorial fund was established by the United Methodist Home in her honor;

Whereas, Opal Mae McWhorter was born October 14, 1928, delivered by her grandmother Nettie Stearns McWhorter, to Arthur Lawrence McWhorter of Russell County and Winnie Dess McWhorter of Clinton County;

Whereas, Opal Mae McWhorter-Hendley was a direct descendant of Lawrence Conner, an American Revolutionary War Soldier who served with the 8th Virginia Regiment of the Continental Army, and was awarded a land grant in Cumberland County, Kentucky, where Opal Mae McWhorter- Hendley was born;

Whereas, Opal Mae McWhorter attended school and church at the community of Fairland, located north of Albany;

Whereas, Opal Mae McWhorter lost two sisters to tuberculosis and one sister to a fire, and her mother became impaired by a brain tumor at an early age;

Whereas, Opal Mae McWhorter came to Franklin, Indiana, where she met John H. Hendley, whom she married July 17, 1950;

Whereas, Together they had five children: William Haydon Hendley of Indianapolis, Indiana; Freddie Allan Hendley, Sr. of Morgantown, Indiana; Mrs. Patricia Ann Hendley Botts of Franklin, Indiana; Sheila K. Hendley-O'Steen of Brooksville, Florida; and Sharon Elizabeth Hendley Hagan of Franklin, Indiana;

Whereas, Opal Mae McWhorter- Hendley worked for ten years at the United Methodist Home for the Aged in Franklin;

Whereas, Opal Mae McWhorter-Hendley was active in her community, supporting the Tennessee Monument Commission, Inc., which placed a memorial at Gettysburg in 1982; the Anita, Indiana, Historical Marker Committee of Johnson County; the American Legion Auxiliary Department of Indiana; Opal was also commissioned a Kentucky Colonel on May 21, 1980, by Lieutenant Governor Martha L. Collins;

Whereas, Opal Mae McWhorter-Hendley was the last surviving sibling of sisters Bonnie Marie Cunningham and Ruth Ollivine Pittman and brother Elmer Lawrence McWhorter;

Whereas, Opal Mae McWhorter-Hendley, a descendant of the same line of the Henry McWhorter Family, was included in the family history entitled "AN INTERESTING BIT OF McWHORTER HISTORY" stating that the McWhorter family "saved Kentucky for the Union during the Civil War";

Whereas, Opal Mae McWhorter-Hendley had two great-great-grandfathers and a great-great-uncle who served in the 13th Kentucky Cavalry (Sgt. John F. Jr., Cpl. Ephraim M. Sr., and Cpl. Thomas F.);

Whereas, Opal Mae McWhorter-Hendley became the matriarch of the John H. Hendley Tribe of the Francis Marion Hendley Clan of The Hendley Family Association, Inc. on its establishment July 1, 2002, as wife of the Chief Elder of The Hendley Family Association, Inc. on July 28, 2003;

Whereas, Opal Mae McWhorter-Hendley served as a great ambassador for the Commonwealth of Kentucky, spreading good will and visiting her native state every year until she was unable; returning one last time for the funeral of her mother on July 24, 1986, at Aaron chapel, near Fairland, Kentucky;

Whereas, Opal Mae McWhorter-Hendley was honored by the Kentucky House of Representatives on her 75th birthday with House Resolution # 249 authored by State Representative Jeffrey H. Hoover;

Whereas, Opal Mae McWhorter-Hendley lived by the motto of the Hendley Family Association, Inc. - "It is appropriate today that we pause to remember who we are, where we came from and what we have been taught"; and

Whereas, Opal Mae McWhorter-Hendley was honored with a last tribute from her native state of Kentucky when Senate President David L. Williams authored Senate Resolution # 131, adopted March 21, 2005: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives pays a final tribute to the memory of Opal Mae McWhorter-Hendley, a native of Kentucky and a life-long Hoosier, and honors her for her contributions to her family, The Honorable Order of Kentucky Colonels, and the state of Indiana.

SECTION 2. That the Principal Clerk of the House of Representatives transmit copies of this resolution to Chief Elder Mr. John H. Hendley; Mr. William H. Hendley, National President of The Hendley Family Association, Inc.; Mr. Freddie A. Hendley, Senior National Board of Directors, The Hendley Family Association, Inc.; Mrs. Patricia A. Botts, President of the John H. Hendley Tribe; Mrs. Sheila K. O'Steen; Ms. Sharon E. Hagan, Vice President of the John H. Hendley Tribe.

The resolution was read a first time and adopted by voice vote.

OTHER BUSINESS ON THE SPEAKER'S TABLE

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Engrossed Senate Bills 72, 75, 112, 117, 148, 161, 169, 191, 205, 247, 256, 269, 285, 297, 323, 346, 379, and Senate Joint Resolution 2 and the same are herewith transmitted to the House for further action.

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed House Concurrent Resolutions 9, 11, 12, and 27 and the same are herewith returned to the House.

MARY C. MENDEL
Principal Secretary of the Senate

HOUSE MOTION

Mr. Speaker: I move that House Rule 106.1 be suspended for the purpose of adding more than three coauthors and that Representatives Dvorak, Hoy, Cherry, Ulmer, and Noe be added as coauthors of House Bill 1010.

WOLKINS

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Hinkle be added as coauthor of House Bill 1020.

AVERY

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Thomas be added as coauthor of House Bill 1024.

J. SMITH

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Crooks be added as coauthor of House Bill 1099.

FRIZZELL

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Micon be added as coauthor of House Bill 1110.

T. BROWN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Ripley be added as coauthor of House Bill 1113.

FOLEY

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Mahern be added as coauthor of House Bill 1117.

WOLKINS

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Austin, Ruppel, and Woodruff be added as coauthors of House Bill 1136.

BURTON

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Burton and Stutzman be added as coauthors of House Bill 1176.

WOODRUFF

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Stutzman and Kuzman be added as coauthors of House Bill 1214.

DAVIS

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Pierce be added as coauthor of House Bill 1258.

YOUNT

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Denbo and Crooks be added as coauthors of House Bill 1259.

KOCH

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives L. Lawson and VanHaaften be added as coauthors of House Bill 1281.

MURPHY

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Thomas be added as coauthor of House Bill 1306.

BRIGHT

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Cochran be added as coauthor of House Bill 1327.

ESPICH

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Thomas be added as coauthor of House Bill 1353.

WALORSKI

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Bright be added as coauthor of House Bill 1367.

THOMAS

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Thomas be added as coauthor of House Bill 1368.

NEESE

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Thomas be added as coauthor of House Bill 1378.

LEHE

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Messer be added as coauthor of House Bill 1381.

BEHNING

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives L. Lawson and Ulmer be added as coauthors of House Bill 1414.

AUSTIN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Klinker be added as coauthor of House Joint Resolution 3.

MESSER

Motion prevailed.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 8:20 p.m. with the Speaker in the Chair.

Representative Hinkle, who had been excused, was present.

ENGROSSED HOUSE BILLS ON THIRD READING

Engrossed House Bill 1076

Representative Friend called down Engrossed House Bill 1076 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 64: yeas 89, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Hershman and Weatherwax.

Engrossed House Bill 1086

Representative Buck called down Engrossed House Bill 1086 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning economic development.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 65: yeas 89, nays 1. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senators Heinold, Jackman, and Hershman.

Engrossed House Bill 1101

Representative Walorski called down Engrossed House Bill 1101 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning commercial law.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 66: yeas 92, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Hershman.

Engrossed House Bill 1102

Representative Ayres called down Engrossed House Bill 1102 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 67: yeas 91, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator C. Lawson.

Engrossed House Bill 1107

Representative Crouch called down Engrossed House Bill 1107 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 68: yeas 92, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Becker and L. Lutz.

Engrossed House Bill 1127

Representative Davis called down Engrossed House Bill 1127 for third reading:

A BILL FOR AN ACT concerning state offices and administration.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 69: yeas 93, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Lubbers.

Engrossed House Bill 1142

Representative Leonard called down Engrossed House Bill 1142 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 70: yeas 51, nays 45. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators M. Young and Dillon.

Engrossed House Bill 1207

Representative Pond called down Engrossed House Bill 1207 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 71: yeas 97, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Wyss and Craycraft.

Engrossed House Bill 1209

Representative Turner called down Engrossed House Bill 1209 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning health.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 72: yeas 92, nays 5. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Dillon.

Engrossed House Bill 1234

Representative Ruppel called down Engrossed House Bill 1234 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 73: yeas 97, nays 1. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Dillon and Craycraft.

Engrossed House Bill 1238

Representative Welch called down Engrossed House Bill 1238 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning public safety.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 74: yeas 97, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Wyss, Craycraft, Becker, and Sipes.

Engrossed House Bill 1249

Representative Messer called down Engrossed House Bill 1249 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 75: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Kruse.

Engrossed House Bill 1257

Representative Bell called down Engrossed House Bill 1257 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning education.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 76: yeas 96, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Waltz.

Engrossed House Bill 1261

Representative Burton called down Engrossed House Bill 1261 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 77: yeas 97, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Lubbers.

Engrossed House Bill 1280

Representative Murphy called down Engrossed House Bill 1280 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 78: yeas 97, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Ford and Steele.

Engrossed House Bill 1299

Representative Bardon called down Engrossed House Bill 1299 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning financial institutions.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass? Representatives Borror, Espich, and Whetstone were excused from voting, pursuant to House Rule 46.

Roll Call 79: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Paul and Lanane.

Engrossed House Bill 1307

Representative Torr called down Engrossed House Bill 1307 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 80: yeas 51, nays 47. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Harrison, Kruse, and Craycraft.

Engrossed House Bill 1314

Representative Klinker called down Engrossed House Bill 1314 for third reading:

A BILL FOR AN ACT concerning human services.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 81: yeas 98, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators C. Lawson, Simpson, Dillon, and Rogers.

Engrossed House Bill 1327

Representative Espich called down Engrossed House Bill 1327 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 82: yeas 96, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Kenley and Simpson.

Engrossed House Bill 1339

Representative T. Harris called down Engrossed House Bill 1339 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 83: yeas 56, nays 38. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Merritt.

Engrossed House Bill 1353

Representative Walorski called down Engrossed House Bill 1353 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass? Representative Kuzman was excused from voting, pursuant to House Rule 46.

Roll Call 84: yeas 92, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Bray and Broden.

Engrossed House Bill 1362

Representative Buck called down Engrossed House Bill 1362 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 85: yeas 73, nays 23. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Delph and Riegsecker.

Representative Goodin, who had been excused, was present.

Engrossed House Bill 1380

Representative J. Smith called down Engrossed House Bill 1380 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning economic development.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 86: yeas 94, nays 4. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Ford and Long.

Engrossed House Bill 1392

Representative Ripley called down Engrossed House Bill 1392 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 87: yeas 98, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Paul.

Engrossed House Bill 1418

Representative Ayres called down Engrossed House Bill 1418 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning agriculture and animals.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 88: yeas 79, nays 16. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Heinold and Landske.

REPORTS FROM COMMITTEES

Representative Moses rose to a point of order suggesting the absence of a quorum and requesting a quorum call.

The Speaker ordered the roll of the House to be called to determine the presence or absence of a quorum. A quorum was not present. The Speaker announced that the roll would remain open to allow additional members to indicate their presence.

Because of the lack of a quorum, the House recessed until the fall of the gavel.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 10:35 p.m. with the Speaker in the Chair.

A quorum was still not present. The Speaker ordered the absentees to be called.

At 10:45 p.m., the Speaker ordered the roll to be tallied:

Aguilera
Austin ▣
Avery ▣
Ayres
Bardon ▣
Bauer ▣
Behning
Bell
Bischoff
Borders
Borror
C. Bottorff ▣
Bright
C. Brown ▣
T. Brown
Buck
Budak
Buell
Burton
Cheney ▣
Cherry
Cochran ▣
Crawford ▣
Crooks ▣
Crouch
Davis
Day ▣
Denbo
Dickinson ▣
Dobis ▣
Dodge
Duncan
Dvorak ▣
Espich
Foley
Friend
Frizzell
Fry ▣
GiaQuinta ▣
Goodin ▣
Grubb ▣
Gutwein
E. Harris ▣
T. Harris
Heim
Hinkle
Hoffman
Hoy ▣
Kersey ▣
Klinker ▣
Koch
Kromkowski ▣
Kuzman ▣
L. Lawson ▣
Lehe
Leonard
J. Lutz
Mahern ▣
Mays ▣
McClain
Messer
Micon ▣
Moses
Murphy
Neese
Noe
Orentlicher ▣
Oxley ▣
Pelath
Pflum ▣
Pierce ▣
Pond
Porter ▣
Reske ▣
Richardson ⏏
Ripley
Robertson ▣
Ruppel
Saunders
J. Smith
V. Smith ▣
Stevenson ▣
Stilwell ▣
Stutzman
Summers ▣
Thomas
Thompson
Tincher ▣
Torr
Turner
Tyler
Ulmer
VanHaaften ▣
Walorski
Welch ▣
Whetstone
Wolkins
Woodruff
Yount
Mr. Speaker

Roll Call 89: 57 present; 1 excused; 42 absent. The Speaker announced a quorum was not in attendance. [*NOTE*: ▣ *indicates those who were absent.*]

The Speaker announced that the House would reconvene on Monday, January 30, 2006, at 10:00 a.m.

On the motion of Representative Yount, the House adjourned at 10:47 p.m., this twenty-sixth day of January, 2006, until Monday, January 30, 2006, at 10:00 a.m.

BRIAN C. BOSMA
Speaker of the House of Representatives

M. CAROLINE SPOTTS
Principal Clerk of the House of Representatives